

Texas GEER 45-Day Report

The State of Texas recognizes the Governor’s Emergency Education Relief Fund (GEER) as a critical opportunity to provide transformative resources to PreK-12 and higher education institutions. State leadership has announced, and will announce shortly, the strategic priorities that will be funded using GEER via transfers to the Texas Education Agency (TEA) and the Texas Higher Education Coordinating Board (THECB). These funding investments are in addition to the previously announced decisions to provide local education agencies (LEAs) reimbursement for direct COVID-19 related expenses for the end of the 2019-2020 school year and the purchase of eLearning devices and home internet solutions (both funded through the state’s Coronavirus Relief Fund). As detailed, in part, in the narrative section of the GEER certification form, Texas plans to use GEER funding for a number of strategic priorities including:

- providing a comprehensive set of instructional materials in an online, modifiable learning environment with aligned assessments and progress monitoring components (TEA);
- a virtual evidence-based dyslexia intervention service that includes all required state components and uses a technology platform that allows for continuity of dyslexia intervention (TEA);
- providing a diagnostic tool and multi-tiered system of support to LEAs for planning the SY2020-2021 instructional and operation scenarios, continuously monitoring and improving instructional plans implemented for the 2020-2021 school year, and planning for changes necessary for school year 2021-2022 (TEA);
- ensuring that state financial aid programs aren’t reduced, especially for continuing students (THECB);
- targeted financial aid for upskilling and reskilling displaced workers in high-demand fields, including workers who have earned some college credit but no credential, allowing new paths into the workforce with higher earning potential (THECB);
- emergency student support so students whose families have been severely financially impacted by COVID-19 can stay enrolled in higher education (THECB);
- strategic education and workforce data infrastructure to provide timely, actionable intelligence to students, institutions, employers, and policymakers; scale and expand existing technologies and tools that support college and career advising; and help students stay on track to earn high-value credentials (THECB); and
- improving the quality of online learning by strengthening distance education course offerings and bolstering institutions’ capabilities to use data to support student success. This will include funds to develop Open Educational Resource course materials that significantly reduce costs to students (THECB).

Please describe the State’s process for awarding GEER funds to LEAs, IHEs, and/or other education-related entities, including: Timeline(s) for awarding GEER funds to LEAs, IHEs, and/or other education-related entities;

TEA (PreK-12)

While many other states are utilizing a grant process to make limited funds available to individual LEAs on a one-off basis, Texas is instead pursuing a state-level strategy that will make a robust suite of resources available and ensure support for all LEAs. The Office of the Governor has worked closely with TEA and legislative leadership – the Office of the Lieutenant Governor, the Office of the Speaker of the House, the Chair and Vice-Chair of the Texas House Appropriations Committee, and the Chair and Vice-Chair of Texas Senate Finance Committee – to develop an allocation proposal responsive to the needs of all students. Based on those discussions, GEER funding allocated to TEA will be utilized to support access to a free distance learning curriculum for all students, a remote dyslexia instruction platform, remote learning monitoring and diagnostics tools, ongoing assistance for districts to support usage and implementation of these tools, training for excellence in remote instruction for district administrators, and may also be made available to eligible LEAs through a standard competitive and informal competitive grant process. The state plans to award TEA funding for these initiatives in August of 2020.

THECB (Higher Education)

The Office of the Governor worked closely with the THECB to develop bold proposals for funding with an emphasis on financial and emergency educational aid to current students and potential students. These proposals include emergency aid for significantly impacted students and for Texas workers who need to reskill and upskill, targeted support for high-quality online learning resources, and the development of the state's education data infrastructure and associated analytics to support students' progress to high-value credentials and to bolster the state's broader efforts to advance workforce preparedness and financial recovery. The state announced the first distribution of \$175 million in GEER funding to the THECB in July of 2020. In line with program requirements, the Office of the Governor expects the Coordinating Board to distribute/expend all GEER funds within 12 months, with particular emphasis on funds going directly to institutions to assist students.

The criteria, process and deliberations you use to determine which LEAs, IHEs, and/or other education-related agencies are:

- **“Most significantly impacted by coronavirus;” and/or**
- **“Essential” for carrying out emergency educational service;**

TEA (PreK-12)

The Office of the Governor collaborated with leadership at TEA to identify both the most critical challenges that students broadly will face in the coming school year, as well as those students who may be disproportionately or severely impacted by the virus. State leadership determined that TEA would be best-positioned to assess the needs of the vast majority of primary and secondary students, given their mandate as well as their past experience navigating major interruptions to the school year (such as Hurricane Harvey). Given that all LEAs statewide will be both highly impacted by the virus and essential in meeting the educational needs of their districts, they will all be empowered with access to state-level resources (such as remote instruction curricula and support for students at all learning levels). While many LEAs likely have the resources to develop these systems for their districts, by providing access to all LEAs, the state will ensure that students across the state will have access to quality virtual learning tools.

THECB (Higher Education)

The Office of the Governor and legislative leaders have prioritized proposals that would have swift and direct impacts to support Texas' economic recovery. Funding support for higher education, and specifically students, offers a remedy for Texans most significantly impacted by COVID-19, and creates a path toward a stronger, more durable Texas workforce. Strategic, targeted investments in higher education through GEER funding will provide direct benefits to students and allow Texas higher education to continue its essential mission in accelerating economic recovery and developing a more competitive workforce for the future.

The funding mechanisms (e.g., grants, contracts) the State will use to provide GEER funds to LEAs, IHEs, and/or other education-related entities; and

TEA (PreK-12)

TEA will implement state-level activities available to all LEAs and may allocate some GEER funds to selected eligible LEAs through its standard competitive and informal competitive grant process. Those grants will ensure that LEAs have the resources, such as ongoing assistance and support, to utilize online learning tools.

THECB (Higher Education)

GEER funds will be distributed via grants by the THECB, which will serve as the agent for grant allocations to institutions of higher education and contracts with supporting partners in the state's GEER initiatives. The THECB will develop a process, in consultation with the relevant stakeholders, to ensure that GEER funds are properly distributed to institutions of higher education in accordance with Department of Education guidelines.

Any specific funding conditions or requirements the State will place on awards to ensure the funds are spent for specific purposes or activities.

TEA (PreK-12)

THECB (Higher Education)

The Office of the Governor, along with legislative leadership, have and will continue to work closely with TEA and the THECB to develop the major program elements to be supported with GEER funds. Each of these state agencies is subject to state-mandated funding and accounting standards and controls to ensure funds are spent appropriately and on time. The Office of the Governor will likewise continue to closely monitor expenditures and implementation as disbursements are awarded.

Describe the system of internal controls the State will use to ensure that GEER funds are expended for allowable purposes and in accordance with cash management principles and the Uniform Guidance. See 2 CFR §200.303.

TEA (PreK-12)

GEER funds administered by the TEA will follow its standard fiscal, grant, and contracting procedures. These procedures have been audited regularly by the State Auditor Office, federal auditors, the USDE

Office of Inspector General, and USDE program offices. See attached for TEA's CARES Act monitoring and internal control plan (Appendix A).

THECB (Higher Education)

Federal grants will be assigned a unique program cost account (PCA) within the THECB's accounting systems so that federal expenditures and associated funds can be tracked separately and to prevent the commingling federal funds with non-federal funds. Administrative time charged to federal awards by division staff will be tracked in the payroll system so that time and payroll costs can be separately reported per federal requirements. The administration of funds will be subject to internal and external audits.

If GEER funds are being awarded or used for payments to SEA or IHE administrators, executives, and/or state or local teachers' unions or associations, please describe your process for reporting the amount of funds used for this purpose, and how the funds are consistent with allowable uses of funds under section 18002(c) of the CARES Act.

TEA (PreK-12)

GEER funds may be expended for TEA staff, but are not expected to pay for TEA executives and/or state or local teachers' unions or associations. TEA staff paid in part with GEER funds will follow the agency's time and effort reporting processes to document time worked and allowability of the use of the funds.

Federal Funding Usage statements describing the use of GEER funding for agency administrative purposes are a standard part of the agency's budget review and approval process. TEA's Internal Audit Division or Federal Fiscal Monitoring Division will review agency administrative use of funds to ensure allowability. GEER funds will be used for administrative costs to implement state-level activities and grant programs to selected LEAs.

THECB (Higher Education)

Texas GEER funding will not be used for payments to SEA or IHE administrators, executives, and/or state or local teachers' unions or associations.

If you intend to provide GEER funds to LEAs, please describe the process you will use to ensure that LEAs receiving GEER funds provide equitable services to students and teachers in non-public schools located within the LEA in the same manner as provided under section 1117 of the ESEA.

TEA (PreK-12)

TEA may allocate some GEER funds to selected eligible LEAs through competitive and informal competitive grants. Any grant to an LEA will include the required provision of equitable services to eligible nonprofit schools located within the boundaries of the school district. The LEA application will contain required information for calculating the amount of equitable services to nonprofit schools.

The TEA Private School Ombudsman will monitor and enforce the requirements of the provision of equitable services and conduct targeted programmatic compliance requirements. State-level training activities provided free of charge to all Texas LEAs will also be made available to nonpublic schools in a proportionate share of services.



Appendix A: Department of Grant Compliance and Administration Monitoring Plan for the CARES Act, ESSER and GEER Grant Funds

1. PURPOSE OF MONITORING PLAN

The purpose of the CARES Act ESSER and GEER monitoring work plan is to define the expectations of the Grants Administration (GA) and Federal Fiscal Monitoring (FFM) Divisions relative to the oversight and monitoring of grants in accordance regulatory and statutory monitoring requirements during the federal fiscal years 2020 and 2021. The monitoring plan details how the divisions will assist in carrying out certain oversight responsibilities of monitoring subrecipients receiving ESSER or GEER grant funds.

2. REGULATORY MONITORING REQUIREMENT

Federal Requirements

- Pursuant to Title 2 of the Code of Federal Regulations (CFR) 200.331(d), the Texas Education Agency (TEA) monitors the activities of subrecipients as necessary to ensure that federal grant awards are used for authorized purposes, in compliance with federal statutes, regulations, and terms and conditions of the subaward. Monitoring is also conducted to ensure that subrecipients achieve performance goals.
- Pursuant to 2 CFR 200.331(b) TEA evaluates each subrecipient's risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring
- Pursuant to 2 CFR Part 200, Appendix XI, TEA is required to monitor the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements. The agency's subrecipient monitoring must cover each program, function or activity.
- Pursuant to 34 CFR 76.770, TEA is required to uphold its administrative responsibilities by ensuring that subrecipients are in compliance with applicable statutes and regulations.

Statutory Authority:

- Pursuant to Texas Education Code (TEC) §7.021(b)(1), in conjunction with TEC §7.028(a)(1) and §7.028(a)(2), TEA is authorized to monitor compliance with requirements that apply to a process or program and the related use of funds to ensure compliance with federal law and regulations and financial accountability, including compliance with grant requirements.
- TEC §44.008(e) grants the commissioner of education access to all vouchers, receipts, district fiscal and financial records, and other school records that the commissioner considers necessary and appropriate.

3. MISSION

Financial monitoring activities will include grant application reviews, desk reviews and onsite reviews, if deemed necessary. Auditors will ensure that CARES Act grant funds are utilized to maximize project goals and objectives and to identify and prevent wasteful spending. FFM staff will plan to complete reviews, in state fiscal years 2021 and 2022 (FFY 2020 and 2021), of funds awarded to subrecipients including school districts, charter schools and educational service centers.

Programmatic monitoring activities will include random validations of eligibility and targeted programmatic data requirements.

4. FUNCTIONS

The GA division staff's primary focus will be to conduct grant application reviews for allowability of costs. The grant application will attach the preprinted list of requested allowable activities aligned to the ESSER and GEER guidance document. Any activity entered as "other," not previously approved, and questionable to TEA staff may be forwarded to the USDE program office for a determination of allowability.

The FFM division staff's primary focus will be to conduct desk reviews of CARES Act grants awarded to subrecipients. The completion of the activities discussed below will contribute towards satisfying the division's monitoring responsibility. Although the types of activities discussed below will be the primary focus of the division, the division is not limited to these activities and may conduct other work at the direction of the division's director and pursuant to immediate and changing circumstances.

The program office will conduct random validations of various eligibility and program requirements to include, but not limited to, provisions of equitable services, LEA program activities, and allowable uses of funds.

5. OBJECTIVES

For the purpose of this work plan, the FFM division's monitoring activities will address one or more of the following objectives.

1. Provide ongoing oversight and monitoring of CARES Act grant funded awards.
2. Ensure that subrecipients adhere to the fiscal, program and other requirements applicable for the use of CARES Act grant funds.
3. Ensure that subrecipients maintain financial, program and other records to accurately and completely account for the obligation, receipt, expenditure, and use of CARES Act funded grants.
4. Review expenditures of grant funds for improper payments to prevent fraud, waste, and abuse of CARES Act funds.
5. Review grant expenditure costs not allowed under the program guidelines and ensure that claims for reimbursements are not submitted to other funding sources.

Although an audit may be broad in scope, auditors will endeavor to focus each audit on specific issues.

6. MONITORING METHODOLOGY

Through monitoring activities, division staff will ensure that subrecipients maintain compliance with applicable fiscal requirements of federal grants to meet project goals. By applying a risk assessment methodology to select the appropriate subrecipients for monitoring, the agency can identify subrecipients that are at risk of not complying with federal statutes and terms and conditions of applicable grants, which may ultimately result in federal funds being used for unauthorized purposes.

7. ASSESSMENT OF RISK AT THE SUBRECIPIENT LEVEL

Annual Federal Fiscal Risk Assessment

As a pass-through entity, TEA awards federal grant funds to eligible subrecipients, including local educational agencies (school districts and open-enrollment charter schools). The responsibilities of pass-through entities are given in Title 2 of the Code of Federal Regulations, Part 200.331, which requires TEA to "evaluate each subrecipient's risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring." The risk assessment criteria include indicators and weights derived from multiple sources. Each subrecipient is allotted points based upon these criteria, and assigned a risk level of high, medium, or low based on the total number of points allotted.

Criteria Used in Risk Assessment for 2020-2021

The following are the criteria used to determine the risk level of school districts and charter schools for the 2020–2021 school year:

- The subrecipient did not submit the required annual financial and compliance report (AFR), including the single-audit report, to TEA by the required due date or did not submit an AFR.
- The subrecipient did not submit the required annual financial and compliance report (AFR), including the single-audit report, to the Federal Audit Clearinghouse by the required due date or did not submit an AFR.
- The independent auditor who prepared the subrecipient’s AFR, including the single-audit report, did not express an unqualified opinion.
- The subrecipient was not required to have a single audit conducted under 2 CFR 200 Appendix XI - Compliance Supplement because it did not meet the federal grant spending threshold.
- The subrecipient’s independent auditor identified in the single-audit report at least one of the following: (1) an instance of material noncompliance; (2) material weaknesses internal controls; (3) questioned costs of federal funds; (4) a finding that was also a finding in the prior year.
- The subrecipient has a large amount of federal expenditures compared to total operating costs.
- The subrecipient has been referred by other agency divisions for significant issues or deficiencies that may affect its use of federal grant funds or its implementation of federal grant programs.
- The subrecipient has not been monitored recently by the Federal Fiscal Monitoring Division.
- The subrecipient has not drawn down federal funds by January of the current school year for one or more of the following federal grants: Title I, Part A—Improving Basic Programs; Carl D. Perkins; IDEA-B—Formula.
- The subrecipient has lapsed funds for at least one of the following ESSA grants:
 - Title I, Part A—Improving Basic Programs
 - Title I, Part C—Migrant
 - Title I, Part D—Subpart 2
 - Title II, Part A—Teacher and Principal Training and Recruiting
 - Title III, Part A—LEP
- The subrecipient has lapsed IDEA-B—Formula funds.
- The subrecipient has carried over excessive amounts of funds for one or more of the following federal grants:
 - Title I, Part A—Improving Basic Programs
 - Title I, Part C—Migrant
 - Title I, Part D—Subpart 2
 - Title II, Part A—Teacher and Principal Training and Recruiting
 - Title III, Part A—LEP
 - IDEA-B—Formula