

Nevada Consolidated Performance Review Report FY 2021

Commendations
1

Met Requirements
21

Recommendations
11

Action Required
15

Draft Report
7/1/2021



U.S. Department of Education
Office of Elementary and Secondary Education
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Washington, DC 20202

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GENERAL INFORMATION

OVERVIEW OF THE CONSOLIDATED PERFORMANCE REVIEW

The U.S. Department of Education’s (Department’s) Office of Elementary and Secondary Education (OESE) established the consolidated performance review process to conduct oversight of and provide assistance to State educational agencies (SEAs) as they administer K-12 formula grant programs. The goals of the consolidated performance review process are to conduct a review of key programs through a single, streamlined process that results in improved and strengthened partnerships between the Department and States, and encourages States to develop and effectively implement integrated and coherent consolidated State plans. To accomplish these goals, the consolidated performance review process is organized into cross-cutting sections that review fiscal and programmatic requirements across OESE programs, and program-specific sections that consider how the SEA implements specific programs.

This Consolidated Performance Review Report summarizes the findings from the review of the Nevada Department of Education (NDE) that occurred on January 25 – February 5, 2021. The review covered:

- Title I, Part A of the Elementary and Secondary Education Act of 1965 (ESEA), Improving Basic Programs Operated by Local Educational Agencies (LEAs);
- Title I, Part B of the ESEA, State Assessment Grants;
- Title II, Part A of the ESEA, Effective Instruction State Grants;
- Title III, Part A of the ESEA, the State Formula Grant Program for English Language Acquisition and Language Enhancement;
- Title IV, Part B of the ESEA, Nita M. Lowey 21st Century Community Learning Centers;
- Title V, Part B, Subpart 2 of the ESEA, Rural and Low-Income Schools; and
- Title VI, Part A, Subpart 2, Indian Education – Special Programs and Projects.

Additionally, the Department monitored the State of Nevada’s administration of CARES Act funds, specifically, its Governor’s Emergency Education Relief (GEER) funds. The Department provided Nevada’s Governor’s Office a separate report on April 6, 2021. OESE will use the information Nevada provided to continue to support NDE in its role managing GEER grants.

This report is based on information provided through the review process and other relevant qualitative and quantitative data. The primary goal of this review was to ensure that implementation of the programs is consistent with the fiscal, administrative, and program requirements contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance: 2 Code of Federal Regulations (C.F.R.) Part 200), the Education Department General Administrative Requirements (EDGAR), and the ESEA. The review addressed the administration of fiscal and programmatic components through two domains: (1) financial management and cross-cutting requirements and (2) program-specific requirements.

NAVIGATING THE CONSOLIDATED PERFORMANCE REVIEW REPORT

This report contains five sections. Section I contains a snapshot of information pertinent to the grant activities for the respective State. Section II is a summary of the State’s performance on each indicator reviewed for each covered program. For each indicator, the Department assigns one of four ratings. “Met requirements with commendation” represents high-quality implementation where the grantee is

exceeding expectations; “met requirements” indicates that no instances of noncompliance were identified; “met requirements with recommendations” indicates there are quality implementation concerns and some improvements could be made to ensure the grantee continues to meet expectations; and “action required” indicates there are significant compliance or quality concerns that require urgent attention by the SEA and will be revisited until the State has remedied the issue.

Section III highlights the areas where the State has exceeded requirements and is commended on the grant administration and fiscal management (*i.e.*, those areas categorized as “met requirements with commendation”).

Section IV identifies those areas where the Department has significant compliance and quality concerns and for which corrective action is required. For those issues, the report outlines the current practice, the nature of noncompliance, and the required action.

Section V identifies those areas where the State has met the requirements but where the Department has quality implementation concerns related to grant administration and fiscal management (*i.e.*, those areas categorized as quality concerns, “met requirements with recommendations”). In these instances, the Department is determining that the State is currently complying with requirements but that improvements could be made to improve the efficiency or effectiveness of operations. Identified issues are grouped according to relevant area and requirement, with citations provided. For each issue listed, the Department will provide a recommendation for improvement but is not requiring the State to take any further action.

Overview of Visit



COVERED GRANT PROGRAMS OF THIS REVIEW

Title I, Part A; Title I, Part B; Title II, Part A; Title III, Part A; Title IV, Part B; Title V, Part B, Subpart 2 & Title VI, Part A, Subpart 2



FEDERAL FUNDING¹

Title I, Part A	\$136,383,234
Title I, Part B	\$4,948,577
Title II, Part A	\$13,136,221
Title III, Part A	\$6,688,771
Title IV, Part B	\$9,857,461
Title V, Part B, Subpart 2	\$128,847
Title VI, Part A, Subpart 2	\$616,088

Dates of Review

SEA: January 25, 2021 – February 5, 2021;
Subrecipients: February 8 –11, 2021.

ED Reviewers

Shane Morrissey (Management Support Office)
 Jameel A. Scott (Management Support Office)
 Dan Behrend (Management Support Office)
 Jane Hodgdon (State and Grantee Relations)
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 Andrea Jackson (Office of School Support and Accountability)
 Miriam Lund (Office of School Support and Accountability)
 John McLaughlin (Office of School Support and Accountability)
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 Leslie Poynter (Rural Education Achievement Program)
 Grace Kwon (Rural Education Achievement Program)
 Eric Schulz (Rural Education Achievement Program)
 Julian Guerrero, Jr. (Office of Indian Education)
 Jennifer Morgan (Contractor, 21st Century Community Learning Centers)
 Dr. Debora Ortloff (Contractor, 21st Century Community Learning Centers)

¹ FY 2020 funds included above (<https://www2.ed.gov/about/overview/budget/statetables/index.html>) are from OESE administered programs that allocate funds to States using a statutory formula. The totals do not reflect all Department funds awarded to a State. In addition to other formula funds awarded to each State, States and other entities may also receive funds from grants that are awarded on a competitive basis.

Subrecipients Participating in the Desk Review

Clark County School District
Carson City School District
State Public Charter School Authority
Nye County School District

Current Grant Conditions

Title I, Part A:	NDE must demonstrate that its standards and assessment system meets all requirements in the ESEA. ²
	NDE must demonstrate that its English language proficiency (ELP) standards and assessments meet all ESEA requirements. ³
Title I, Part C:	None
Title II, Part A:	None
Title III, Part A:	None
Title IV, Part B:	None
Title V, Part B, Subpart 2:	None

² This condition is available at: <https://oese.ed.gov/files/2020/04/Nevada-9.pdf>

³ This condition is available at: <https://oese.ed.gov/files/2020/03/Nevada-8.pdf>

Summary Status of Fiscal & Program Monitoring Indicators

STATUS KEY



Met requirements with commendation

High quality implementation & compliance



Met requirements

No instances of noncompliance identified



Met requirements with recommendation

Satisfactory compliance with quality concerns



Action required

Significant compliance & quality concerns

FINANCIAL MANAGEMENT & CROSS-CUTTING

Topic	Status
Accounting Systems and Fiscal Controls	● ● ● ● ○
Cash Management and Payment Systems	● ● ● ● ○
Period of Availability and Carryover	● ● ● ● ○
Internal Controls	● ○ ○ ○ ○
Audit Requirements	● ○ ○ ○ ○
Records and Information Management	● ● ● ● ○
Equipment and Supplies Management	● ● ● ● ○
Personnel	● ● ● ● ○
Procurement	● ○ ○ ○ ○
Indirect Costs	● ● ● ● ○
Charter School Authorization and Oversight	● ● ● ● ○

CROSS-CUTTING FINANCIAL AND PROGRAMMATIC

Topic	Status
Allocations	● ● ● ● ○
Local Applications and Plans	● ● ● ● ○
Risk Assessment (External)	● ● ● ● ○
Subrecipient Monitoring	● ● ● ● ○
Supplement, Not Supplant (SNS)	● ○ ○ ○ ○
Maintenance of Effort (MOE)	● ● ● ● ○
Comparability	● ● ● ● ○
Equitable Services	● ● ● ● ○

Data Quality	
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TITLE I, PART A & TITLE I, PART B

Topic	Status
State Assessment Requirements	
Statewide Accountability System	
Identification of Schools	
Support for School Improvement	
1003 School Improvement	
State and Local Report Cards	
Schoolwide Programs	
Targeted Assistance Programs	
Parent and Family Engagement	
Direct Student Services ⁴ Service	
Optional Public-School Transfer	
Educational Stability for Students in Foster Care	
Subrecipient Monitoring (Title I, Part A)	
Other Title I Requirements	
Best Interest Determinations	
LEA Points of Contact, Transportation Procedures	

TITLE II, PART A

Topic	Status
LEA Level Use of Funds, A10, Focus on Student Achievement	
LEA Level Use of Funds, A9, Define “Effective Teacher” for Class Size Reduction	

TITLE III, PART A

Topic	Status
Language Instruction for English Learners and Immigrant Students	

TITLE IV, PART B

Topic	Status
Award Competition: SEA complies with the legislative requirements to award subgrants to eligible entities on a competitive basis	
SEA uses Standards, Assessments, Monitoring and Evaluation to Hold Subgrantees Accountable	
SEA Complies with the Allocation Requirements for State Administration and Technical Assistance	

⁴ The Nevada Department of Education does not reserve funds for direct student services under section 1003A of the ESEA.

TITLE V, PART B, SUBPART 2

Topic	Status
Financial Management	● ● ○ ○
Program Administration	● ● ○ ○

TITLE VI, PART A, SUBPART 2

Topic	Status
Cash Management and Payment Systems: Subrecipient Oversight	● ○ ○ ○
Accounting Systems and Fiscal Controls: Accounts Monitoring	● ● ● ○
Internal Controls	● ○ ○ ○
Program Specific Review	● ○ ○ ○

Met Requirements with Commendation

Title II, Part A Requirements

LEA LEVEL USE OF FUNDS, A10, FOCUS ON STUDENT ACHIEVEMENT

REQUIREMENT SUMMARY

Description: The SEA may only provide Title I, Part A funds to an LEA if State and local funds will be used in schools served by Title I funds to provide services that, on the whole, are at least comparable to services in schools that are not receiving Title I funds.

ESEA §1118 (c)

COMMENDATION

The Clark County Title II, Part A evaluation report is exemplary. It provides NDE with granular detail about the professional development (PD) provided for Clark County educators with Title II, Part A funds. It explains the scope and scale of numerous PD efforts, it focuses on fidelity to models such as AVID, spells out proposed adaptations to PD, and uses evidence of student achievement as one measure of the success of PD activities. The report demonstrates how an SEA and an LEA can collaborate to deliver quality evidence-based PD, measure the impact of such PD on student achievement, and use achievement data to make adjustments to future PD offerings. This collaboration makes the report a model for Title II, Part A that other SEAs and LEAs might emulate.

Action Required

Financial Management & Cross-Cutting

INTERNAL CONTROLS

REQUIREMENT SUMMARY

Description: An SEA and its LEAs must establish and maintain a system of effective internal controls over Federal awards that provides reasonable assurance that the SEA is managing Federal awards in compliance with Federal statutes, regulations, and the terms and conditions of Federal awards. These internal controls should be in accordance with guidance stated in the "Standards of Internal Control in the Federal Government" (GAO Green Book) or the "Internal Controls Integrated Framework" (Treadway Commission).

Uniform Guidance 2 C.F.R. §200.303

ISSUE

Under Uniform Guidance §200.303, an SEA must establish and maintain effective internal control over a Federal award that provides reasonable assurance that the SEA is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. (2 C.F.R. 200.303(a)). An SEA's internal controls must be in compliance with guidance contained in the "Standards for Internal Control in the Federal Government" (GAO Green Book) or the "Internal Control Integrated Framework" (Treadway Commission/COSO). Important elements of sufficient internal controls under both frameworks are an internal risk identification and assessment process, and a process for monitoring the operation of an organization's internal controls.

During the review, NDE stated that it relied on its Internal Audit Division for its risk identification and assessment process. However, NDE did not provide documentation evidencing a formalized internal risk assessment process as required in both the GAO Green Book and the Treadway Commission/COSO, or documentation regarding a process for monitoring the operation of its internal controls. Without a formal process, there is a risk that NDE will be unable to sufficiently identify risks to agency operations, develop targeted strategies to mitigate identified risks, or make timely determinations regarding the ability of the controls that are already in place to protect against identified risks.

REQUIRED ACTION

Within 60 business days of receiving this report, NDE must provide the Department with:

- (1) Documentation of a regular process (e.g., quarterly, annually, biannually, etc.) for identifying internal risks. This documentation should include:
 - a. The types of risk that will be evaluated and the indicators to be used in the assessment;

- b. The process for establishing risk tolerances for different categories or types of risk;
 - c. The process used to complete the risk assessment (including identification of responsible individuals); and
 - d. The process used to respond to identified risks affecting the operation or performance of the organization.
- (2) Documentation of a regular process (e.g., quarterly, annually, biannually, etc.) for evaluating the performance and/or effectiveness of the agency's internal controls framework. This documentation should include a description of the process and its frequency, identify the staff responsible for performing such an evaluation, and include copies of any tools or checklists that will be used to accomplish the evaluations.

AUDIT REQUIREMENTS

REQUIREMENT SUMMARY

Description: An SEA is responsible for both resolving the audit findings of subrecipients and for conducting audit follow-up activities and corrective actions for findings from the SEA's yearly Single Audit. An SEA is also required to ensure that subrecipients who meet the audit threshold are audited and the audits are reported according to established timelines.

Uniform Guidance 2 C.F.R. §200.303(d)(2);
 §200.331(d)(3); §200.331(f); §200.511(a);
 §200.512; §200.521(c)

ISSUE

Under Uniform Guidance §200.332(d), an SEA is responsible for following up and ensuring that subrecipients take timely and appropriate action and for issuing a management decision for all audit findings pertaining to Federal awards issued to subrecipients by the agency. (2 C.F.R. 200.332(d)(2), (3)). In order to meet its obligations under the Uniform Guidance, an SEA must have a process to identify subrecipients with audit findings pertaining to Federal programs subawarded by the agency and to follow-up and resolve findings in a timely manner.

During the review, NDE staff stated that they do not provide determination letters to subrecipients when NDE identifies an audit finding. NDE staff indicated that the State auditors' bureau performs audits and works with LEAs in order to resolve findings. However, NDE failed to provide evidence about how it informed LEAs that their findings have been resolved. Additionally, multiple LEAs indicated during the review that they did not receive determination letters and, therefore, were not always clear when an audit finding was resolved. Furthermore, NDE staff indicated that they were not aware of any requirement to provide LEAs a determination letter. Therefore, NDE failed to satisfy its responsibilities for resolving subrecipient audits.

REQUIRED ACTION

Within 60 business days of receiving this report, NDE must provide:

The Department with standard operating procedures for identifying and tracking LEA audit findings. These procedures must also include how NDE resolves LEA audit findings and issues management decision letters. The procedures must include a description of the processes, timelines, and a designation of responsible individuals or offices.

PROCUREMENT

REQUIREMENT SUMMARY

Description: An SEA shall ensure that all relevant State procurement procedures are followed when procuring goods and services using Federal funds. An SEA must also maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specification of their contracts.

Uniform Guidance 2 C.F.R. §200.317; 2 C.F.R. §200.323; 2 C.F.R. §200.327

ISSUE

In advance of the review, NDE provided to the Department documentation from Nevada's Department of Administration, Purchasing Division, a State Administrative Manual, and excerpt from the Nevada Revised Statutes (NRS) related to procurement. However, NDE was unable to provide any of its own policies or procedures that demonstrate how it fulfills State and Federal requirements related to its procurement transactions. When procuring property and services under a Federal award, a State must follow the same policies and procedures it uses for procurements from its non-Federal funds. The State must comply with 2 CFR §§200.321, 200.322, and 200.323 to ensure that every purchase order or other contract includes any clauses required by 2 CFR §200.327. (2 CFR 200.317). NDE did not provide its own documented procedures outlining the process used to execute the SEA's procurement responsibilities including the identification of NDE's procurement needs and the initiation of procurement transactions. Without documented procedures, there is a risk that NDE staff could fail to complete needed steps in the procurement process, resulting in transactions that do not meet all applicable requirements.

Additionally, NDE failed to provide the Department with documentation of its own policies and procedures to implement State of Nevada requirements related to conflicts of interest and disclosures. NDE provided the Department with a copy of a Secondary Employment Disclosure Form that is filled out by its staff. This form requires the disclosure of secondary employment of NDE employees themselves. However, this form does not require the disclosure of employment by other household members of NDE staff. By failing to have its employees disclose employment of other members of their households (spouses, immediate family members, etc.), it is unclear how NDE is able to determine conflicts of interest among NDE staff members related to procurement transactions.

2 CFR 200.318(c)(1) outlines the required written standards of conduct covering conflicts of interests for non-Federal entities other than States. 2 CFR 200.318(c)(1) states, in part, that:

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

While 2 CFR 200.318 does not apply to NDE as a State grantee, it provides an example to NDE of ways to strengthen its conflict of interests policies, including by considering real and apparent conflicts of

interest involving immediate family members, and to better protect Federal funds from fraud, waste, and abuse.

At a minimum, under 2 CFR 200.317, NDE must follow the same policies and procedures it uses for procurement from its non-Federal funds, including with respect to conflicts of interest. In this regard, we note that the State of Nevada appears to impose requirements similar to 2 CFR 200.318 through State law (*see e.g.*, Nevada Revised Statutes, [Chapter 281A – Ethics in Government](#); *see also*, guidance from the Nevada Commission on Ethics in its [Ethics in Government Manual for Public Officers and Public Employees: NRS 281A \(July 2014\)](#)).

One practice OESE has observed from other SEAs, which NDE could consider adopting in order to resolve this portion of the required action, is to require personnel involved in procurement or contract management to complete a conflict-of-interest disclosure certification (with check boxes for all the types of conflicts requiring disclosure under State law, including disclosure of real or apparent conflicts from family, professional, or social relationships) with each procurement.

REQUIRED ACTION

Within 60 business days of receiving this report, NDE must:

- (1) Provide documented procedures that outline the steps in the procurement process, identify actions that must be completed by NDE staff, and describe the process for working with the Department of Administration's Purchasing Division to complete transactions, including NDE's responsibilities for contractor oversight and monitoring the delivery of goods and services, in order to ensure that staff members participating in procurement transactions fully understand their responsibilities. These procedures should identify how NDE identifies its procurement needs, how it initiates transactions, and what oversight is performed. The procedures should also identify the staff (either by name or title) within NDE who performs these functions.
- (2) Provide documentation demonstrating how NDE fulfills State of Nevada requirements related to conflicts of interest and disclosures (*see e.g.*, NRS 281A.420). This documentation should include policies and procedures to ensure that NDE staff with a real or apparent conflict of interest, including a conflict involving an immediate family member, make required disclosures and do not participate in matters where the NDE staff member has a conflict of interest.

Cross-Cutting Financial & Programmatic

SUPPLEMENT, NOT SUPPLANT

REQUIREMENT SUMMARY

Description: The State and its subgrantees must ensure that funds from the Title I, Part A, Title II, Part A and Title III, Part A programs are used to supplement not supplant State and local funds (as well as other Federal funds for the Title III, Part A program).

ESEA §1114(a)(2)(B); §1120A(b); §2113(f); §2123(b); §3115(g)

Title I Regulations 34 C.F.R. §200.79

ISSUE

Under ESEA section 1118(b)(1) an LEA must use funds received under Title I, Part A (Title I) of the ESEA only to supplement the funds that would, in the absence of such funds, be made available from State and local sources for the education of students participating in the Title I program. To demonstrate compliance with the Title I supplement not supplant (SNS) requirement, ESEA section 1118(b)(2) requires an LEA to demonstrate that its methodology to allocate State and local funds to schools results in each Title I school receiving all of the State and local funds it would otherwise receive if it were not receiving Title I funds.

In August 2019, NDE issued SNS guidance to its LEAs describing the requirements under the ESEA. The SNS guidance (page 7) includes examples of SNS for targeted assistance and schoolwide programs that contain statutory inaccuracies. First, NDE's guidance indicates without explanation that using local funds for a "supplemental program" in a non-Title I school while using Title I funds to pay for the same services for eligible students in a Title I targeted assistance program is "considered supplemental under ESSA." This statement, however, does not accurately reflect the Title I SNS requirements. Although the guidance correctly states that using Title I funds for an activity that is supported by State or local funds in a non-Title I school no longer raises a presumption of supplanting, the absence of such presumption does not have the concomitant effect of making the activity supplemental. Rather, to comply with the Title I SNS requirements, a Title I school still must receive all of the State and local funds it would receive if it was not receiving Title I funds. An exception is where State and local funds are being used in a non-Title I school for a State or local program that meets the intent and purposes of Title I, in which case those funds may be excluded from a supplanting determination (see ESEA section 1118(d)). It is not clear, however, that the guidance's reference to a "supplemental program" in a non-Title I school was intended to address this scenario.⁵

NDE's guidance also states that "paying for an activity required by a State or local law" is considered supplemental under the ESEA. Again, this does not accurately reflect the Title I SNS requirements. As above, although this scenario no longer raises a presumption of supplanting and an LEA does not need to demonstrate that an individual cost is supplemental, the LEA nonetheless must ensure that each

⁵ Please note as well that the "exclusion provision" in ESEA section 1118(d) also applied under the ESEA, as amended by the No Child Left Behind Act of 2001 (NCLB). Thus, to the extent NDE intended to address this provision in the guidance, it would not reflect a change between NCLB and ESSA.

school has sufficient funds to carry out the activities required by State or local law (even if Title I are used spent to meet those requirements).

Regarding Title III, Section 3115(g) of the ESEA requires Title III funds be used to supplement the level of Federal, State, and local public funds that would have been made available to English learners (ELs). In its self-assessment, NDE stated that it audits for this requirement during its monitoring of LEAs. The State provided no evidence to confirm this is the case. In addition, it is unclear what guidance is provided to LEAs and how NDE determines compliance with this requirement.

REQUIRED ACTION

Within 60 business days of receiving this report, NDE must submit to the Department an updated Title I SNS guidance document that is consistent with ESEA section 1118(b) and 1118(d). In doing so, NDE may refer to the Department's nonregulatory guidance on this topic (available at: <https://oese.ed.gov/files/2020/02/snsfinalguidance06192019.pdf>).

Also, within 30 business days of receiving comments from the Department on the updated guidance, NDE must demonstrate that the updated Title I SNS guidance has been provided to LEAs.

Within 60 business days of receiving this report, NDE must provide the Department with documented procedures for evaluating LEA compliance with Title III supplement, not supplant requirements.

Title I, Part A & Title I, Part B

STATEWIDE ACCOUNTABILITY SYSTEM

REQUIREMENT SUMMARY

Description: An SEA must measure, on an annual basis, all required indicators for all students and each subgroup of students. For purposes of the academic achievement indicator, the SEA must ensure that at least 95 percent of all students and each subgroup of students are assessed annually on the State's reading/language arts and mathematics assessments. A State must establish a system of annual, meaningful differentiation of all public schools in the State based on all indicators in the State's accountability system for all students and for each subgroup of students.

ESEA §1111 (b) (3); §§1111 (c) (4) (A)–(C); §1111 (c) (4) (E); §1111 (c) (4) (F); §8101 (23); §8101 (25)

ISSUE

Under ESEA sections 8101(25)(A)(ii)(I)(aa) and 8101(23)(A)(ii)(I)(aa), in calculating the four-year and five-year adjusted cohort graduation rates (ACGR), the numerator includes students in the cohort that earn a regular high school diploma. Under ESEA section 8101(43)(A) a regular high school diploma is defined in relevant part as the standard high school diploma awarded to the preponderance of students in the State that is fully aligned with State standards, or a higher diploma. NDE's ACGR guidance states that NDE considers students who receive an adult diploma to have received a regular high school diploma for purposes of calculating the four-year and five-year ACGR. During the Department's discussion with NDE, NDE stated that approximately one percent of students earn the adult diploma. Therefore, the adult diploma is not awarded to the preponderance of students in the State and cannot be included in the ACGR calculation as a regular high school diploma.

REQUIRED ACTION

Within 60 business days of receiving this report, NDE must submit to the Department:

Beginning with the school year 2021-2022 ACGR, NDE must update its ACGR calculation to exclude students earning the adult diploma from the ACGR (i.e., for the four-year ACGR calculation the denominator must include all students who were first-time 9th-graders three years prior and the numerator must include only the students who receive a regular high school diploma within four years). Additionally, within 60 business days of receiving this report, NDE must provide revised business rules (e.g., an updated ACGR guidance document) for the 2021-2022 school year showing that the adult diploma will no longer be counted as a regular high school diploma for the purpose of the ACGR calculation beginning with school year 2021-2022.

SUPPORT FOR SCHOOL IMPROVEMENT

REQUIREMENT SUMMARY

Description: Upon receiving notification from the State, an LEA shall, for each school identified by the State and in partnership with stakeholders, develop and implement a comprehensive support and improvement plan. The SEA shall notify an LEA of any school served by the LEA that is identified for targeted support and improvement, and the LEA shall notify such identified schools.

An SEA must establish statewide exit criteria for schools identified for comprehensive support and improvement and additional targeted support and improvement. Periodically, an SEA must review resource allocation to support school improvement in each LEA serving a significant number or a significant percentage of schools identified for Comprehensive or Targeted support and improvement and must provide technical assistance to each LEA serving a significant number of schools identified for Comprehensive or Targeted support and improvement.

ESEA §1003 (b) - (f); §1111 (d) (1) - (2);
§1111 (d) (3) (A)

ISSUE

ESEA section 1111(d) requires each school identified for comprehensive support and improvement (CSI), targeted support and improvement (TSI), and additional targeted support and improvement (ATSI) to develop and implement a support and improvement plan. NDE provided its School Performance Plan (SPP) template, which it also uses to meet the requirements for schoolwide program plans. Sections of these templates do not appear to have been fully updated since the ESEA was reauthorized and still contain references to No Child Left Behind. In addition, the template does not address the following statutory requirements:

- **ESEA section 1111(d)(1)(B)(i) and 1111(d)(2)(B)(i)** – The plan is informed by all indicators described in subsection (c)(4)(B), including student performance against State-determined long-term goals;
- **ESEA section 1111(d)(1)(B)(ii) and 1111(d)(2)(B)(ii)** – The plan includes evidence-based interventions; and
- **ESEA section 1111(d)(1)(B)(iv) and 1111(d)(2)(C)** – The plan identifies resource inequities, which may include a review of LEA- and school-level budgeting, to be addressed through implementation of such CSI [or ATSI] plan.

Although the State requires the schools to refer to several data sources and include a summary of trend analysis for each data source (pages 2-3 of the SPP template), including data related to the accountability system, there is no explicit reference to the accountability indicators in section 1111(c)(4)(B).

The budget section (beginning on page 13 of the SPP template) asks the school to describe “strategies to increase family engagement in accordance with Section 1118 of the NCLB.” There does not appear to be any section for LEAs to include evidence-based interventions and the ESEA evidence tier in the

provided SPP template. While the SPP template asks the school to list resources needed but it does not require a CSI or ATSI school to identify resource inequities.

NDE also provided the SPP review rubric it uses to evaluate the school's plan. Item 28 asks, "To what degree are the coordination of funds used to provide evidence-based interventions?" The reviewer selects from a scale of 1-4 and is asked to provide "detailed comments" for all budget items at the end of the section. It is not clear from this process that NDE ensures that the evidence-based intervention meets the threshold of tiers 1-3, as defined in ESEA section 8101(21). Further, while the State provided an updated SPP review rubric, one of the LEAs that the Department interviewed provided an out-of-date SPP review rubric from 2015-2016, which was aligned with No Child Left Behind. The LEA included links to the old rubric on numerous guidance documents demonstrating a lack of clarity across the State on the components and requirements of the SPP as defined by the current ESEA.

ESEA section 1111(d)(3)(A)(iii)(II) requires the SEA to provide technical assistance to each LEA in the State serving a significant number of schools implementing targeted support and improvement plans. Although NDE provided its CSI/TSI/ATSI guidance to LEAs, NDE does not have protocols in place for technical assistance or oversight to ensure that LEAs are meeting statutory requirements to review and approve TSI plans. Further, at least one LEA interview indicated that it had not met the statutory requirements regarding oversight of TSI schools and TSI school plans.

ESEA section 1111(d)(3)(A)(ii) specifies that the SEA periodically review resource allocation to support school improvement in each LEA in the State serving a significant number of CSI and TSI schools. NDE explained that in 2019, in collaboration with LEAs, the State initiated a two-year partnership with a national research group to conduct a research study looking at data related to resource allocation in identified schools. The State reported this work was put on hold with the onset of the COVID-19 pandemic and had not been completed. Additionally, the State did not provide evidence that it has protocols or procedures to conduct periodic resource allocation reviews, consistent with ESEA section 1111(d)(3)(A)(ii).

REQUIRED ACTION

Within 60 business days of receiving this report, NDE must submit to the Department:

- (1) Evidence that it has incorporated explicit analysis of accountability indicators as each relate to the school's performance, evidence-based interventions, and identification of resource inequities into its SPP template for schools identified for CSI or ATSI, or has developed another method to ensure that each school improvement plan to be implemented beginning with the 2021-2022 school year meets statutory requirements.
- (2) An updated CSI/TSI/ATSI guidance document that is consistent with ESEA section 1111(d)(1)(B)(iv) and 1111(d)(2)(C).
- (3) A timeline and a plan or ensuring that the SEA completes the resource allocation review of each LEA serving a significant number of CSI or TSI schools. The plan should include procedures for periodically conducting resource allocation reviews in the future. On a State-determined timeline, NDE must also provide evidence of implementation of the plan to resolve this action.

In addition, within 30 business days of receiving comments from the Department on the updated CSI/TSI/ATSI guidance, NDE must submit a subrecipient monitoring plan that ensures that all LEAs are

meeting their obligation to review and approve TSI plans and provides support to LEAs serving a significant number of schools implementing TSI plans.

1003 SCHOOL IMPROVEMENT

REQUIREMENT SUMMARY

Description: An SEA shall allocate and oversee the administration of 1003(a) school improvement subgrants, so that LEAs and schools can effectively develop and implement comprehensive support and improvement and targeted support and improvement plans. The SEA must also conduct a rigorous review of 1003(a) subgrant applications to ensure that LEAs include all required elements.

ESEA §1003(a)-(f); §1111(d)(1)-(2)

ISSUE

ESEA section 1003(b)(1)(A) requires that the State shall allocate not less than 95 percent of the amount it reserves to make grants to LEAs, on a formula or competitive basis, to serve schools implementing comprehensive or targeted support and improvement activities under ESEA section 1111(d). In the State-submitted protocol and supporting documentation, NDE reported that the SEA awards section 1003 funds to LEAs on a competitive basis.

Upon discussion with two LEAs and subsequent documentation from the State and the two LEAs, NDE awarded some of its section 1003 funds in FY2019 and FY2020, using a noncompetitive process, to LEAs to support additional CSI and TSI schools from LEA applications that were not previously funded under the original grant process.

NDE indicated that it opted to distribute excess funds to LEAs in accordance with ESEA section 1126(c). However, any excess funds remaining from ESEA section 1003, regardless of the reason, are subject to the requirements in ESEA section 1003(g). ESEA section 1003(g) allows an SEA to allocate excess funds if, after consultation with LEAs, it determines that the full amount of funds is not necessary to support school improvement. It does not appear that NDE followed this process. Based on documentation provided by the SEA and two LEAs, in July 2020, NDE informed the LEAs that the SEA had “excess funds available for reallocation to eligible LEAs for the 2020-2021 school year/fiscal year 2021.” The SEA did not provide evidence that consultation with LEAs occurred to determine that the full amount of funds was not necessary.

Therefore, it does not appear that NDE met the requirements to reallocate funds under section 1003(g) and, in regard to the additional awards, NDE did not provide evidence that demonstrates how the supplemental awards met the requirements of ESEA section 1003.

REQUIRED ACTION

Within 60 business days of receiving this report, NDE must submit to the Department the procedures and criteria used to make ESEA section 1003 awards from funds subsequent to the initial awards (e.g., the award on September 24, 2019, to Clark County School District for \$3,028,157 and the opportunity offered to LEAs in email on July 17, 2020). If NDE is unable to demonstrate that these subsequent awards were made consistent with statutory requirements within ESEA section 1003, it may result in further corrective action(s).

STATE AND LOCAL REPORT CARDS

REQUIREMENT SUMMARY

Description: An SEA and its LEAs are required to prepare and annually disseminate report cards that include all required elements to the public in a timely manner. In preparing and disseminating report cards, an SEA and its LEAs must also follow student subgroup disaggregation reporting requirements.

ESEA §1003(i); §1111(g)(2)(N); §1111(h); §8101(23) and (25)
Title I Regulations 34 C.F.R. §200.11

ISSUE

NDE's State and local report cards included all required information except for the following elements:

- **ESEA section 1111(h)(1)(C)(iv)** – English language proficiency of English learners (i.e., the number and percentage of English learners achieving English language proficiency as measured by the State's English proficiency assessment). *Note: NDE indicated that it anticipates including this information on report cards in fall 2021.*
- **34 CFR § 200.6(h)(5)(iii)** – Number and percentage of recently arrived English learners exempted from one administration of the reading/language arts assessments or whose results are excluded from certain State accountability system indicators.
- **ESEA section 1111(h)(1)(C)(v)** – Performance on School Quality or Student Success indicators. In some cases, NDE included this information on NSPF individual school reports, however this information must also be included at the LEA and State levels on the LEA and State report cards and disaggregated by all accountability subgroups. Missing indicators are as follows:
 - Percent of students meeting high school readiness (middle school-only).
 - Percent of students with academic learning plans (middle school-only).
 - Percent of students who are credit sufficient by the end of grade 9 (high school-only).⁶
 - Post-secondary program participation and completion (high school-only): CTE is reported, but AP, IB, or dual credit is missing.
- **ESEA section 1111(h)(1)(C)(vi)** – Progress toward State-designed long-term goals, including measurements of interim progress.
- **ESEA section 1111(h)(1)(C)(vii)** – Percentages of students assessed in each subgroup. *Note: NDE indicated that it will add this information to the State report card but did not provide a timeline for doing so.*
- **ESEA section 1111(h)(1)(C)(viii)(II)** – Percentage of students enrolled in accelerated coursework (e.g., AP and IB). *Note that these data are included in the Civil Rights Data Collection (CRDC). See FAQ F-4 of the Department's Report Card Guidance document (available at: <https://oese.ed.gov/files/2020/03/report-card-guidance-final.pdf>).*
- **ESEA section 1111(h)(1)(C)(ix)** – Educator qualifications disaggregated by high and low poverty schools for: 1) Inexperienced teachers, principals, and other school leaders; 2) Teachers teaching with emergency or provisional credentials; and 3) Teachers who are not teaching in the

⁶ The report card appears to only include information on credit deficiency for English learners and students who qualify for free or reduced price meals.

subject or field for which the teacher is certified or licensed. *Note: These data must be disaggregated by high and low poverty schools.*

- **ESEA sections 1111(h)(1)(C)(xi) and (h)(2)(C)** – Percentage of students, by grade and subject, tested using an alternate assessment aligned with alternate academic achievement standards (AA-AAAS) for students with the most significant cognitive disabilities (i.e., number and percentage of students assessed on AAAA-AS, by grade and subject). For the 2018-2019 school year, the number of students assessed and the percentage of students not assessed were included on the report card, however the percentage of students assessed was not included. *Note: NDE indicated that it will add this information to the State report card but did not provide a timeline for doing so.*
- **ESEA section 1003(i)** –List of all the LEAs and schools that received section 1003 school improvement funds, including the amount of funds each school received and the types of strategies implemented in each school with such funds. Although some information was available at the time the performance review was conducted, the list must be updated to include the most recent information.

REQUIRED ACTION

Within 60 business days of receiving this report, NDE must provide a plan and timeline for updating its report cards to include all required elements. NDE must demonstrate that its State and local report cards for the 2020-2021 and 2021-2022 school years include all required elements (e.g., providing links to published report cards, screenshots, etc.).

Due to the COVID-19 pandemic, the Department waived select report card provisions related to accountability in section 1111(h) of the ESEA based on data from the 2020-2021 school year.⁷ Specifically, from the list of missing elements above, NDE received a waiver from reporting the following:

- Section 1111(h)(1)(C)(v) (School Quality or Student Success indicator results).
- Section 1111(h)(1)(C)(vi) (Progress toward meeting long-terms goals and measurements of interim progress).

From the list of missing report card elements above, the following elements were not waived and must be included on report cards based on data from the 2020-2021 school year:

- Section 1111(h)(1)(C)(iv) (English language proficiency of English learners).
- 34 CFR § 200.6(h)(5)(iii) (Number and percentage of recently arrived English learners exempted from one administration of the reading/language arts assessments or whose results are excluded from certain State accountability system indicators).
- Section 1111(h)(1)(C)(vii) (Percentages of students assessed in each subgroup).
- Section 1111(h)(1)(C)(viii)(II) (Percentage of students enrolled in accelerated coursework).
- Section 1111(h)(1)(C)(ix) (Educator qualifications disaggregated by high and low poverty schools).
- Sections 1111(h)(1)(C)(xi) and (h)(2)(C) (Percentage of students, by grade and subject, tested using an alternate assessment aligned with alternate academic achievement standards).

⁷ <https://oese.ed.gov/files/2021/05/nv-acct-waiver-response.pdf>.

All required elements required must be included on report cards for the 2021-2022 school year.

OTHER TITLE I REQUIREMENTS

REQUIREMENT SUMMARY

Description: Any State that receives support under Title I, Part A must describe how low-income and minority children are not served at disproportionate rates by ineffective, out-of-field, or inexperienced teachers and must evaluate and publicly report the progress of the SEA with regard to such description and ensure that LEAs identify and address any disparities that result in low-income students and minority students being taught at higher rates than other students by ineffective, inexperienced, or out-of-field teachers.

ESEA §1111(g); §1112; §1119; §1603

ISSUE

ESEA section 1111(g)(1)(B) requires that a State plan describe how low-income and minority children enrolled in Title I schools are not served at disproportionate rates by ineffective, out-of-field, and inexperienced teachers, and the measures the State will use to evaluate and publicly report the progress of the State. NDE indicated that it does not publicly report its progress toward ensuring that low-income and minority children in Title I schools are not served at disproportionate rates by ineffective, out-of-field, and inexperienced teachers. While NDE includes educator data consistent with ESEA section 1111(h)(1)(C)(ix) and data on ineffective, out-of-field, and inexperienced teachers on its report card, the information is not disaggregated by Title I schools.

Further, NDE provided a copy of a compliance indicator in its monitoring system that requires the LEA to “describe how it ensures that low-income and minority students are not taught at higher rates than other students by ineffective, inexperienced, or out-of-field teachers.” The State’s compliance indicator does not address the requirement in ESEA sections 1111(g)(1)(B) and 1112(b)(2) for students served in Title I, Part A.

REQUIRED ACTION

Within 60 business days of receiving this report, NDE must submit to the Department:

- (1) A timeline and plan for evaluating and publicly reporting its progress in ensuring that low-income and minority children in Title I schools are not served at disproportionate rates by ineffective, out-of-field, and inexperienced teachers under ESEA section 1111(g)(1)(B).
- (2) A revised version of its compliance indicator used in its desktop monitoring that is specific to low-income and minority students in Title I schools under ESEA section 1111(g)(1)(B).

Title III, Part A

LANGUAGE INSTRUCTION FOR ENGLISH LEARNERS AND IMMIGRANT STUDENTS

REQUIREMENT SUMMARY

Description: States are required to have standardized statewide entrance and exit procedures. An SEA is required to assess English learners annually for English language proficiency from grades Kindergarten through 12 with an ELP assessment. Furthermore, pursuant to the purposes of the Title III program and the definition of "English learner," Title III funds are intended for students who, due to their English language difficulties, need support to meet the same challenging State academic standards that all children are expected to meet.

ESEA §1111(b)(2)(G); §3102(1)-(2); §3113(b)(2); §8101(20)
34 C.F.R. §200.5(a)(2)

ISSUE

Section 3113(b)(2) of the ESEA requires each State to establish and implement standardized statewide entrance and exit procedures. NDE's exit procedures, as described in its approved consolidated State plan, require that a student achieve a minimum score of 5.0 on the WIDA ACCESS 2.0 for ELs in order to exit EL status.

However, it appears that NDE's guidance to LEAs, the *Nevada Guidance for English Learners*, sets forth two pathways to exit. First, a student may exit EL status if the student scores 4.5 or above on the WIDA ACCESS 2.0 for ELs. Alternatively, a student may exit EL status if the student scores 4.0 on the WIDA ACCESS 2.0 for ELs, achieves proficiency on the State reading/language arts and mathematics assessments, and meets other additional criteria in the State-provided reclassification tool (e.g., a body of evidence of student's English proficiency to succeed academically without EL services and whether the student is on track for on-time graduation). The State's guidance is inconsistent with Nevada's approved consolidated State plan. It also does not demonstrate that exit requirements are applied consistently statewide. For example, it is unclear from the reclassification tool what portfolio items must be included, how this evidence is standardized statewide, and how such portfolio items are factored into the State's standardized exit decisions.

REQUIRED ACTION

Within 60 business days of receiving this report, NDE must submit to the Department either:

- 1) a consolidated State plan amendment for entrance and exit procedures for ELs, with evidence that it has policies and procedures in place to implement the entrance and exit procedures in a standardized manner; or 2) revised guidance to LEAs that aligns with the consolidated State plan. If NDE takes the first approach, NDE must also provide updated guidance to LEAs that clarifies the standardized statewide exit requirements (addressing the concerns noted above).

TITLE IV, PART B

ALLOCATIONS TO SUBGRANTEES

REQUIREMENT SUMMARY

Description: States receiving an allotment under this grant are required to reserve not less than 93 percent of the State's allotment for each fiscal year for awards to eligible grantees.

ESEA §4202 (c) (1)

ISSUE

During the monitoring review, NDE explained its process for allocating funds, including that its reserves 93 percent of its 21st CCLC grant to allocate to eligible subgrantees. However, NDE did not provide documentation to demonstrate how it allocates its grant funds. Without clear documentation that outlines how NDE allocates subgrants, it is impossible to know that NDE is in compliance with the award requirements regarding allocation and set-asides.

REQUIRED ACTION

Within 60 business days of receiving this report, NDE must provide:

- (1) Documentation that demonstrates how NDE allocates funding. This documentation must show the allocations made to eligible subgrantees and the reservations for required set-asides.
- (2) Clear and thorough documentation of its annual grant award allocation process to ensure that funds are accounted for and allocated pursuant to ESEA section 4202(c)(1). The 21st CCLC grant award must also comply with the Uniform Guidance (2 CFR section 200), including section 200.303.

REGULAR, SYSTEMATIC REVIEWS OF SUBGRANTEES

REQUIREMENT SUMMARY

Description: The SEA monitors for oversight of the operations of the Federal award supported activities. The SEA also monitors its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved; a part of this work involves conducting an annual risk review to inform the State's monitoring strategies.

ESEA §4202 (C) (3) (A)
Uniform Guidance 2 C.F.R. §200.328(a); 2 C.F.R. §200.332 (b) – (d)

ISSUE

While NDE submitted several documents used for 21st CCLC subgrantee monitoring reviews and explained its subgrantee monitoring process, including its new NDE-wide consolidated monitoring process that was piloted last year, the State did not provide any documentation of a subgrantee monitoring event. Without documentation from either a free-standing 21st CCLC subgrantee monitoring or an example of how the 21st CCLC program was included in a Nevada Federal Program Monitoring, the Department is unable to fully evaluate how NDE is meeting this requirement.

REQUIRED ACTION

Within 60 business days of receiving this report, NDE must provide:

- (1) Documentation of the formalized subgrantee monitoring process, including the following elements:
 - a. A monitoring protocol that allows the subgrantees to know what elements of programming will be monitored;
 - b. An assessment of the protocol in relation to the evidence submitted by the subgrantee;
 - c. A report that documents the monitoring event and reflects whether or not the subgrantee's interview and evidence demonstrate compliance with the required elements; and
 - d. Follow up with the subgrantee on any elements that were out of compliance.
- (2) Evidence of a complete subgrantee monitoring event, including the protocol used, the status of each indicator assessed, the corresponding report including any recommendations or corrective actions, and evidence of the subgrantee's compliance response. Specifically, NDE must provide evidence of documentation that clearly demonstrates the following:
 - How the supplemental grant allocated does not supplant other funding;
 - Examples of monitoring for safe and accessible facilities at subgrantee sites;
 - Examples from programs describing the active collaboration with the schools that students attend;
 - Examples from programs that represent a cross-section of geographical areas, describing how subgrantees coordinate Federal, State and Local programs;
 - Examples from programs, demonstrating how subgrantees use the results of evaluations to refine, improve, and strengthen the program and subgrantee performance measures; and

- Examples from programs, demonstrating that the 21st CCLC APR data are submitted accurately and on time.

Title VI, Part A, SUBPART 2

CASH MANAGEMENT AND PAYMENT SYSTEMS: SUBRECIPIENT OVERSIGHT

REQUIREMENT SUMMARY

Description: The SEA conducts regular, systematic reviews of subgrantees to monitor for compliance with Federal statutes and regulations, applicable State rules and policies.

ESEA §4202(C)(3)(A)
EDGAR 34 C.F.R. §76.770
Uniform Guidance 2 C.F.R. §200.329(a);
2 C.F.R. §200.332(b)-(d)

ISSUE

During the monitoring review, NDE explained in electronic communication that it had not completed a risk assessment for any Demonstration Grant for Indian Children awards in FY 2021 or prior. NDE explained that it is working toward risk assessment as a general procedure and will complete during the spring of FY 2021 with scores ready by summer 2021 to determine FY 2022 allocations.

REQUIRED ACTION

Within 60 days of receiving this report, NDE must provide:

- (1) Evidence of compliance with this requirement by submitting a copy of the NDE's FY 2021 Spring Risk Assessment. This includes the protocols used, the corresponding report including any recommendations or corrective actions and evidence of the subrecipient's response. Without a formalized process and documentation of the general process, there is no reasonable assurance subrecipient monitoring had occurred.

INTERNAL CONTROLS

REQUIREMENT SUMMARY

Description: An SEA and its LEAs must establish and maintain a system of effective internal controls over Federal awards that provides reasonable assurance that the SEA is managing Federal awards in compliance with Federal statutes, regulations, and the terms and conditions of Federal awards. These internal controls should be in accordance with guidance stated in the "Standards of Internal Control in the Federal Government" (GAO Green Book) or the "Internal Controls Integrated Framework" (Treadway Commission).

Uniform Guidance 2 C.F.R. §200.303

ISSUE

During the monitoring review, NDE indicated that it uses an independent third party to evaluate the performance of its internal controls system to ensure that the system is operating as intended but did not provide any documentation.

NDE indicated there are "rules of practice" for internal controls and internal processes but did not provide supporting evidence of such process. NDE indicated that it conducts its own internal reviews through sampling grants to ensure the rules are adhered; no evidence was provided of this process.

As a result of these missing documentation and evidence, it is not clear that NDE is able to sufficiently identify risks to agency operations, develop policies essential to mitigating identified risks, or to provide sufficient oversight over their managing the consistency or effectiveness of internal controls.

REQUIRED ACTION

Within 60 business days of receiving this report, NDE must provide the Department with:

- Documentation of a regular practice or process that describes how the agency evaluates their performance of internal controls. The documentation must include:
 - A process to identify categories of various risks and indicators;
 - Identifying responsible individuals to conduct these evaluations;
 - The process used to complete the risk evaluation; and
 - The process describing how the identified risks will be addressed once identified, including any checklists or flow charts.

If NDE does not currently have such documented processes, it must submit a detailed action plan with an associated timeline to addressing this issue.

PROGRAM SPECIFIC REVIEW

REQUIREMENT SUMMARY

Description: The Secretary or a pass-through entity may, in appropriate circumstances, designate the specific conditions established under 2 C.F.R. §200.207 as "high-risk conditions" and designate a non-Federal entity subject to specific conditions established under §200.207 as "high-risk".

§3474.10
Uniform Guidance 2 C.F.R. §200.205 and §200.207.
(Authority: 20 U.S.C. §1221e-3; §3474; and 2 C.F.R. §200, and 2 C.F.R. §200.302.)

ISSUE

The finding is that NDE has a large available balance due to subrecipients not requesting funds in either a timely or accurate manner causing a significant accrual of funds. During the monitoring review NDE was asked to provide a self-assessment of the program. NDE provides monthly meetings with the contracted evaluator to share information with Tribes and LEAs to ensure reporting requirements. NDE provided evidence that included monthly meeting agendas, emails, and meeting notes.

NDE stated it provides a yearly report from the evaluation team as well as a presentation to report progress on objectives to tribes. Evidence provided were found within submitted PowerPoint materials. NDE stated it has had difficulty to retain personal for college and career coaches and the tribe hired a contracted person. NDE tracks the coaches hired through regular communication with the Tribe. Evidence provide are in meeting notes.

NDE stated it has had 172 American Indian or Alaska Native (AI/AN) students who have received services through the grant, 98 students toured colleges, and 11 cultural community events were conducted. Evidence is in the year 2 APR report.

NDE stated it did not hire a Tribal member project director that was written in the grant but hired an evaluator. Although NDE is making substantial progress, NDE's fiscal management will need to be monitored to ensure timely drawdowns.

REQUIRED ACTION

Entity Risk Review (ERR) was conducted and in accordance with 2 CFR 3474.10. NDE however, based on the review of the ERR and this monitoring, NDE is being placed on quarterly monitoring.

NDE, shall provide acknowledgement within 30 days of receiving this report that they agree to submitting the following documentation:

- Quarterly Progress Reports
- Quarterly Budget Expenditures

Met Requirements with Recommendation

Title I, Part A & Title I, Part B

SCHOOLWIDE PROGRAMS

REQUIREMENT SUMMARY

Description: A Title I schoolwide program is a comprehensive reform strategy designed to upgrade the educational program of a Title I school in order to improve the achievement of the lowest-achieving students. An LEA may operate a schoolwide program in a Title I school with 40 percent or more of its students living in poverty. In addition, an SEA has discretion to grant a waiver to allow an LEA to operate a schoolwide program without meeting the 40 percent poverty threshold if the SEA has determined that a schoolwide program will best serve the needs of low-achieving students in the school.

A school implementing a Title I schoolwide program must conduct a comprehensive needs assessment of the entire school, prepare a comprehensive schoolwide plan, and regularly review the schoolwide plan. To better leverage all available funding, a schoolwide program school has the flexibility to consolidate funds from Title I and other Federal educational programs with State and local funds. To support the effective implementation of schoolwide programs, States must eliminate or modify State and local fiscal accounting requirements so that LEAs can consolidate funds under schoolwide programs.

ESEA §1114

Title I Regulations 34 C.F.R. §§200.25-200.29

ISSUE

NDE requires LEAs receiving Title I, Part A funds to submit school performance plans (SPPs) for schools operating Title I, Part A schoolwide programs. NDE provides schools with an SPP template. NDE provided a sample SPP that illustrates the various components and requirements of these plans. Sections of this template do not appear to have been fully updated since the ESEA was reauthorized and still contain references to No Child Left Behind. During the review, NDE stated that it is in the process of redesigning its SPP templates to align with ESEA.

RECOMMENDATION

The Department recommends updating the SPP template to align with the current authorization of the ESEA.

PARENT AND FAMILY ENGAGEMENT

REQUIREMENT SUMMARY

Description: An LEA that receives Title I, Part A funds must notify parents that they may request information on teacher and paraprofessional qualifications. Additionally, an LEA must provide parents with information regarding student academic achievement and growth, testing transparency, information regarding the State or LEA policy for student participation in any assessments and additional information. An LEA receiving Title I funds must also conduct outreach to parents and family members and implement parent and family programs and activities, which must be planned and implemented in consultation with parents. An SEA must collect and disseminate to LEAs effective parent and family engagement strategies.

ESEA §1111(g)(2)(F); §1112(e); §1116; and §8101(39)

ISSUE

NDE's desktop monitoring system includes a compliance indicator that requires the LEA to "describe the process it uses to ensure schools create participation opportunities at their schools for parents and families to learn about the requirements of the Title I program and their right to be involved" under ESEA section 1116(c)(1). The compliance indicator also requires the LEA to upload supporting documentation. While NDE requires the LEA to describe its process to ensure schools create participation opportunities for parents and families to learn about the Title I program and their right to be involved, NDE does not appear to review for the requirement that, in carrying out parent and family engagement requirements, LEAs and schools, to the extent practicable, provide opportunities for the informed participation of parents and family members (including parents and family members who have limited English proficiency, parents and family members with disabilities, and parents and family members of migratory children) under ESEA section 1116(f).

RECOMMENDATION

The Department recommends revising any monitoring protocols and guidance documents that are available to LEAs (e.g., NDE's desktop monitoring system compliance indicators) so that the LEA clearly describes how it creates opportunities for the informed participation of *all* parents and family members (including parents and family members who have limited English proficiency, parents and family members with disabilities, and parents and family members of migratory children), as required under ESEA section 1116(f).

SUBRECIPIENT MONITORING (TITLE I, PART A)

REQUIREMENT SUMMARY

Description: An SEA shall monitor LEAs and any other entities, including external providers, receiving federal funds from programs to ensure that all applicable fiscal and programmatic performance goals are achieved and that subawards are used for authorized purposes and in compliance with Federal statutes, regulations, and the terms and conditions of Federal awards.

Uniform Guidance 2 C.F.R. §200.331(d)

ISSUE

The Nevada State Public Charter School Authority (SPCSA) is a State governmental agency and a statewide charter school authorizer. Under Nevada state law, Assembly Bill No. 78, effective June 3, 2019, the SPCSA became the LEA for the charter schools it sponsors. The SPCSA serves as a pass-through entity, meaning that the SPCSA is a subrecipient of grant funds from NDE and in turn subawards grant funds to sponsored charter schools. In its role as the LEA for sponsored charter schools, the SPCSA is responsible for the allocation and oversight of various Federal and state grant funds in its sponsored charter schools.

Conversations and evidence provided during the review revealed a lack of clarity on the roles and responsibilities for oversight of Title I, Part A funds, including ESEA section 1003 funds, awarded to the State's charter schools. Conversations and evidence provided during the review from NDE and SPSCA revealed a lack of clarity on the roles and responsibilities for oversight of Title I, Part A funds, including ESEA section 1003 funds, awarded to the State's charter schools. This may result in higher risk for noncompliance and create barriers to delivering high-quality technical assistance, particularly to charter schools identified for comprehensive, targeted, and additional targeted support and improvement.

RECOMMENDATION

The Department recommends establishing either clear monitoring protocols or a formal agreement between NDE and SPCSA that outline roles and responsibilities for oversight of all statutory requirements, including identifying requirements that are not applicable to SCPSA and its sponsored charter schools.

EDUCATIONAL STABILITY FOR STUDENTS IN FOSTER CARE

REQUIREMENT SUMMARY

Description: An SEA must ensure that when a student enters foster care or experiences a change in foster care placement, the student enrolls or remains in his or her school of origin unless a determination is made that it is not in such child's best interest to attend the school of origin. Such "best interest determinations" must be based on all factors relating to a child's best interest, including considering the appropriateness of the student's current educational setting and the proximity to the school in which the child is enrolled at the time of placement.

An SEA must collaborate with the State agency responsible for administering the State plans under parts B and E of title IV of the Social Security Act (42 U.S.C. 621 et seq. and 670 et seq.) to ensure the educational stability of children in foster care and ensure LEAs receiving a Title I, Part A subgrant collaborates with the State or local child welfare agency to develop and implement procedures governing transportation for children in foster care.

ESEA § 1111(g) (1) (E) and §1112(c) (5) (A)-(B)

ISSUE

ESEA section 1111(g)(1)(E)(i) requires each SEA, in collaboration with the State child welfare agency (CWA), to ensure that students entering foster care or experiencing a change in foster care placement remain at their respective schools of origin unless it is determined to be in their best interest to leave the school of origin. Effective implementation of this requirement generally necessitates further collaboration between LEAs and child welfare agencies.

RECOMMENDATION

To encourage LEAs to have a consultative role in the best interest determination (BID) process, NDE should enhance training and materials for LEAs to clarify the importance of LEA contributions to BIDs. Specifically, the Department encourages NDE to clearly indicate that LEAs and schools should be involved in BIDs and should not rely upon child welfare agencies to unilaterally make school placement determinations.

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ESEA§1111(g)(1)(E) and §1112(c)(5)(A)-(B)

ISSUE

NDE's guidance document titled "How Can I Support the School Stability and Success of Students in Foster Care?" does not explicitly include as a BID criterion "the proximity to the school in which the child is enrolled at the time of placement" (ESEA section 1111(g)(1)(E)(i)); however, other documents shared by NDE, including training and technical assistance presentations for LEAs, mention this requirement.

RECOMMENDATION

Nevada should update its document titled "How Can I Support the School Stability and Success of Students in Foster Care?" so that it clearly indicates that LEAs must consider "the proximity to the school in which the child is enrolled at the time of placement" when conducting BIDs, as required under ESEA section 1111(g)(1)(E)(i).

Equitable Services

EQUITABLE SERVICES

REQUIREMENT SUMMARY

Description: An SEA shall ensure that LEAs use Federal funds to provide benefits to eligible children enrolled in private schools and to ensure that teachers and families of participating private school children participate on an equitable basis. Where applicable, the SEA shall ensure that it uses Federal funds for State-level activities to provide benefits to eligible students and educators.

ESEA §1117; §8501

Regulations 34 C.F.R. §200.62-67; §299.6; and §299.9

EDGAR 34 C.F.R. §76.661

ISSUE

Page 5 of the State’s “Title II Part A State Activity Equitable Services for Non-Profit Private Schools” application describes a section called “Funding Application,” which may be misinterpreted to suggest that private schools may apply for funding rather than for services. While the SEA indicated that it believes that no private schools currently think they may apply for funding, the wording on page 5 of the equitable services application may leave the errant impression with future private school personnel that they are eligible for funds rather than services.

RECOMMENDATION

To eliminate the possibility that private school personnel wrongly think they are eligible for funding, NDE should consider rephrasing the instructions in the equitable services application to clarify that private schools may apply for services only, and not for funds.

Title II, Part A

LEA LEVEL USE OF FUNDS, A9, DEFINE “EFFECTIVE TEACHER” FOR CLASS SIZE REDUCTION

REQUIREMENT SUMMARY

Description: SEAs and LEAs may use Title II, Part A funds for a variety of allowable activities, including evidence-based professional development, recruitment and retention, and class size reduction. Activities must meet the purpose of Title II, Part A, which is to enhance instruction in order to improve student achievement. In carrying out activities, SEAs and LEAs must use data and engage in ongoing consultation with key stakeholders to continually improve the implementation of funded activities. LEAs must also prioritize Title II, Part A funds to schools that are implementing comprehensive support and improvement activities and targeted support and improvement activities and that have the highest percentage of children in poverty and children who are neglected or delinquent.

ESEA §2101(c)(4)(B); §2101(d)(2)(D); §2101(d)(2)(K); §2102(b)(2)(C); §2102(b)(2)(D); §2102(b)(3); §2103(b)(3); §2103(b)(3)(D); and §8101(42)

ISSUE

None of Nevada’s LEAs currently use Title II, Part A funds for class size reduction. Therefore, though they have begun discussing criteria, the SEA and LEAs have not established a definition of “effective teacher” that candidates are expected to meet prior to entering the classroom.

RECOMMENDATION

To prepare for the possibility that some LEAs may use Title II, Part A funds for class size reduction, NDE and its LEAs should consider establishing a clear definition of “effective teacher” that candidates are expected to meet prior to entering the classroom.

Title IV, Part B

PERFORMANCE INDICATORS AND PERFORMANCE MEASURES

REQUIREMENT SUMMARY

Description: The State has clearly defined, and appropriate performance indicators and performance measures used to evaluate programs. The State measure GPRA indicators.

ESEA §4203(a)(13)(A) and §4205(b)(1)(B)

ISSUE

NDE submitted several documents used to address requirements related to performance indicators and performance measures that NDE uses to evaluate programs. However, these documents did not include specific measures for the Government Performance Reporting Act (GPRA).

RECOMMENDATION

The Department recommends that NDE provide a description of the performance indicators and performance measures that will be used to evaluate programs and activities with emphasis on alignment with the regular academic program of the school and the academic needs of participating students, including performance indicators and measures that include State assessment results and other indicators of student success and improvement, such as improved attendance during the school day, better classroom grades, regular (or consistent) program attendance, and on-time advancement to the next grade level.

PROGRAM INCOME

REQUIREMENT SUMMARY

Description: If the SEA allows subgrantees to generate program income, it administers this practice in compliance with statute: a formal process in place for approving subgrantee requests to generate income; procedures in place for tracking subgrantee program income; and SEA adds/deducts program income to/from subgrantee allowable costs as required.

Uniform Guidance §200.307

ISSUE

NDE stated that its 21st CCLC programs are free and do not generate income. The State's Notice of Funding Opportunity (NOFO) includes guidance for an applicant to request permission to charge fees and that the State must have prior approval from the Department before subgrantees may request to generate program income. The State indicated that no current subgrantees have applied for or requested to generate program income; they are all providing free programs for students and families.

RECOMMENDATION

The Department recommends that NDE formally document its policy related to program income. A written policy should address program income at both the SEA level and the subgrantee level. If NDE chooses not to allow program income, it should clearly note this in the Notice of Funding Opportunity (NOFO) and include this language within its fiscal policies to ensure transparency and effective internal controls.

Title V, Part B, Subpart 2

FINANCIAL MANAGEMENT

REQUIREMENT SUMMARY

Description: SEAs must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the State's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.

2 C.F.R. §§200.302-305

ISSUE

NDE provided the reviewers with detailed documentation regarding its financial management operations, including its grant manual, chart of accounts, funds request template, grants checkbook, and grant assurance procedures document. The evidence submitted demonstrated that NDE tracks RLIS grant funds in accordance with the NDE grant manual, as well as applicable Federal and state laws, regulations, policies, and procedures.

Because of the comparatively small size of the NDE RLIS award, NDE collects data, including budget information, in paper rather than electronic format. NDE informed the reviewers that it uses ePAGE as the online grants management tool for RLIS. In addition, NDE provided the reviewers with a detailed breakdown of how, once received, its annual RLIS subgrant is processed, budgeted, disbursed, and tracked to the single RLIS-eligible LEA in Nevada: Nye County School District (NCSD).

For all Federal education grants, including RLIS, LEAs use a reimbursement method to access funds. NCSD requests funds through a multi-step clearance process that includes approvals from the NDE Education Programs Professional, financial team, and Deputy Superintendent for Business and Support Services. NDE provided documentation of the clearance process. However, NDE recently changed its procedures for providing reimbursements for its paper/non-electronic grants. The new procedures are unclear, causing NCSD to make multiple corrections to their reimbursement request before receiving an approval, thereby delaying NCSD's receipt of reimbursements in a timely manner.

RECOMMENDATION

The Department recommends NDE provide additional technical assistance to NCSD, including distribution of written procedures describing the updated reimbursement process. This will ensure NCSD will be able to receive reimbursements in a timely manner. It will also ensure that NDE complies

with 2 C.F.R. 200.305(b)(3), which requires an SEA to make payments within 30 calendar days after receipt of the billing.

PROGRAM ADMINISTRATION

REQUIREMENT SUMMARY

Description: An SEA receiving a grant under RLIS may use up to five percent of its annual allocation for State administrative costs and to provide technical assistance to eligible LEAs.

2 C.F.R §200, Subpart E

ISSUE

NDE sets aside five percent of its RLIS allocation for administrative costs and to provide technical assistance to RLIS-eligible LEAs. The funds are used to purchase virtual monitoring services and for various technical assistance activities, such as supporting SEA and LEA professional development and implementing on-site LEA technical assistance visits.

During the interview, NDE stated that FY 2019 program administrative funds were used to sponsor NCSD travel and participation in the National ESEA Conference. However, it was later confirmed by both NDE and NCSD that Mineral County School District (not Nye County) was the attendee at this conference. Although use of NDE's state set aside funds to send MCDS to the conference was an allowable use of RLIS funds, NDE's records did not clearly track the fiscal year award's program administration and State set-aside funds and how they were used to provide technical assistance to RLIS-eligible grantees during the award's performance period.

RECOMMENDATION

The Department recommends that NDE develop revised recordkeeping procedures for the RLIS funds it sets aside each year for technical assistance. This document should include NDE's procedures for allocating technical assistance to RLIS-eligible LEAs pursuant to Section 5222(b) of the ESEA.