



CARES Act - GEER Funds Targeted Monitoring Report: Office of the Texas Governor

Met Requirements

1

Met Requirements with Recommendation

1

Action Required

2

U.S. Department of Education
Office of Elementary and Secondary Education
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GENERAL INFORMATION

OVERVIEW OF THE CARES ACT TARGETED MONITORING

The Office of Elementary and Secondary Education (OESE) is committed to supporting States as they implement Federal grant programs. Part of this commitment includes monitoring reviews designed to not only address the OESE's responsibilities for fiscal and programmatic oversight, but to also identify areas in which States may need assistance and support.

Specifically, OESE created a proactive monitoring review process as a result of passage of the Coronavirus Aid, Relief and Economic Security (CARES) Act. Ideally, this review process should result in improved and strengthened partnerships between the United States Department of Education (the Department) and States, and encourages States to develop and implement fiscal systems for emergency funding sources that align with Federal requirements.

The primary goal of this targeted review is to ensure the funds received under the CARES Act are handled by States in a manner consistent with the fiscal, administrative, and select program requirements contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), the Education Department General Administrative Requirements (EDGAR), OMB memo 20-20, and the Cash Management Improvement Act (CMIA). To accomplish this, OESE's CARES Act monitoring review process focuses on the Governor's Emergency Education Relief (GEER) and the Elementary and Secondary School Emergency Relief (ESSER) funds as well as on areas that reflect fiscal requirements for States, and prioritizes the Department's monitoring of areas known to be historically challenging based on the Department's oversight of American Recovery and Reinvestment Act funds.¹

OESE's CARES Act targeted monitoring review comprised a self-assessment questionnaire and a virtual desk review. This review is purposely narrower than the Department's Consolidated Monitoring Review² and addresses fewer areas specifically related to fiscal responsibility. Additionally, OESE included subrecipients in the review as a matter of due diligence to learn how State agencies that received CARES Act funds plan to monitor subrecipient expenditures and ensure CARES Act funds are being used for allowable purposes.

Navigating the Targeted Monitoring Report

This report contains five sections. Section I contains a snapshot of the OESE's monitoring process.

Section II is a summary of the State's performance for each section included in the review. For each indicator, the Department assigns one of four ratings:

¹ Lessons from Implementing the American Recovery and Reinvestment Act of 2009 Final Management Information Report: <https://www2.ed.gov/about/offices/list/oig/auditreports/fy2014/x09m0002.pdf>

² <https://oese.ed.gov/offices/office-of-formula-grants/school-support-and-accountability/performance-review/>

- “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.
- “Action required” indicates there are significant compliance or quality concerns that require urgent attention by the reviewed entity and will be revisited until the issue is addressed.

The remaining sections discuss any of the subject areas (*i.e.*, Cash Management; Accounting Systems and Fiscal Management; Internal Controls, Subrecipient Monitoring) where the Department assigned a rating of “met requirements with recommendations” or “action required.”

Overview of the Targeted Monitoring Review



CARES ACT GEER FUNDS DISTRIBUTION

\$

FEDERAL FUNDING³

CARES ACT	
GEER Award	\$307,026,008.00
Drawdown June 26, 2020	\$307,026,008.00
Percent of Drawdown	100%

Key Dates of Review

Recipient

Targeted Monitoring Notification: September 29, 2020
 Preliminary Call: October 15, 2020
 Self-Assessment and Document Requested: October 30, 2020
 Desk Review: November 16, 2020

Subrecipient

Subrecipient Selection: September 29, 2020
 Preliminary Call THECB: November 18, 2020
 THECB Desk Reviews: December 10, 2020
 TEA Desk Review: December 16, 2020

ED Reviewers

Shane Morrissey (Management Support Office)
 Dan Behrend (Management Support Office)
 Jed Sorokin-Altmann (Management Support Office)
 Tara Ramsey (State and Grantee Relations)
 Britt Jung (State and Grantee Relations)
 Brandon Webber (State and Grantee Relations)

Subrecipients Participating in the Desk Review

Texas Higher Education Coordinating Board (THECB)
 Texas Education Agency (TEA)

³ <https://oese.ed.gov/offices/Education-Stabilization-Fund/>

Summary of OESE Selection GEER Fund Recipients

On Friday, March 27, 2020, President Trump signed the CARES Act, which is a \$2 trillion package of assistance measures, including \$30.75 billion for an Education Stabilization Fund. Four grant programs were created through the CARES Act: Education Stabilization Fund Discretionary Grants; Governor's Emergency Education Relief Fund (GEER); Elementary and Secondary School Emergency Relief Fund (ESSER); and Higher Education Emergency Relief Fund. After the Department completed awarding the CARES Act funds to States, several States immediately withdrew over 90 percent of their available balances from the Department's grants management system (the G5 system). The immediate draw down of CARES Act funding triggered similar concerns as those identified within Inspector General's reports related to Recovery Act funds.⁴ As such, OESE developed a targeted monitoring review process for CARES Act funding. This review was designed to specifically monitor GEER and ESSER grants to ensure proper oversight and provide States with technical assistance.

The Office of the Texas Governor (OOG) triggered a targeted monitoring review by immediately drawing down 100 percent of its allocation of GEER funds. The OOG was monitored only for the Governor's Office's management of GEER funds.

OESE included two subrecipients as part of the targeted monitoring process to further evaluate and verify information received from the OOG. OESE selected the Texas Education Agency (TEA), which the Governor's Office subawarded \$60,000,000, and the Texas Higher Education Coordinating Board (THECB), which the Governor's Office subawarded \$175,000,000. Prior to selection of subrecipients, the OOG confirmed that TEA and THECB received subawards, and provided the allocations and subaward amounts for all subrecipients. The Department selected TEA and THECB based on the size of the subawards.

⁴ Alert Memorandum, State Educational Agencies' Implementation of Federal Cash Management Requirements under the American Recovery and Reinvestment Act
<https://www2.ed.gov/about/offices/list/oig/auditreports/AlertMemorandums/109j0007.pdf>

SECTION II

Summary Status of CARES ACT - GEER fund Implementation

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

TARGETED MONITORING

Topic	Status
Cash Management and Payment Systems	
Accounting Systems and Fiscal Controls	
Internal Controls	
Subrecipient Monitoring	

Cash Management and Payment Systems

ACTION REQUIRED



This section identifies cash management areas where OESE staff has “significant compliance and quality concerns.”

For these issues, OESE will outline the current practice, the nature of noncompliance, and the required action.

REQUIREMENT SUMMARY

Description: A Grantee must have written procedures for payment systems. Grantees are generally required to minimize the time elapsing between transfer of funds from the U.S. Treasury. The timing and amount of fund transfers must be as close as is administratively feasible to a State's actual cash outlay for direct program costs and the proportionate share of any allowable indirect costs. States should exercise sound cash management in funds transfers to subgrantees.

[Cash Management Improvement Act](#)

[31 C.F.R. §§ 205.1-205.35](#)

Uniform Guidance

[2 C.F.R. § 200.302\(b\)\(6\)](#)

[2 C.F.R. § 200.305](#)

[OMB Memo 20-20](#)

ISSUE

Background

OESE conducted a review of ESSER and GEER drawdowns from the G5 system that were posted on September 2, 2020. During this review, the Department noted the OOG had drawn down all of its \$307,026,008 GEER allocation. As a result of the large amount of GEER funds that had been drawn down by OOG, the Department informed OOG on September 29, 2020 that it would initiate a targeted monitoring of OOG to examine their compliance with cash management procedures and related requirements contained in the Uniform Guidance. On January 15, 2021, based on feedback from the Department, OOG returned \$68,726,008 of the GEER funds, which was the balance of funds that OOG had not subawarded to subrecipients at the time of the monitoring, to the Department’s G5 system.

Applicable Federal Requirements

As outlined below, there are similar but distinct cash management requirements for States and for non-Federal entities other than States.

1. The Cash Management Improvement Act

The disbursement of most Federal assistance⁵ to States⁶, including most grant funds awarded to States by the Department, is governed by the CMIA, a Federal law administered by the United States Department of the Treasury (Treasury). Depending on the dollar amount of a grant in relation to the total amount of Federal funds received by a State, a grant may be considered a major Federal assistance program and will be included in a Treasury-State agreement and governed by subpart A of the CMIA regulations (31 C.F.R. §§205.3-205.31).⁷ Alternatively, funds that fall below the threshold will not be included in a Treasury-State agreement and are governed by subpart B of the CMIA regulations (31 C.F.R. §§205.32-205.35). Depending on whether Texas's GEER funds will fall under subpart A or subpart B of the CMIA regulations will dictate the applicable standard.⁸ If the GEER funds are considered a major Federal assistance program and are included in Texas's FY 2021 Treasury-State agreement, then interest will accrue on transfers from GEER funds that occurred on or after September 1, 2020. See 31 C.F.R. §205.19(f). As of the date this report was issued, Treasury had not posted the FY 2021 Treasury-State agreement for Texas.⁹

a. The cash management standard for major Federal assistance programs

Under 31 C.F.R. §205.11(a-b), a State and a Federal Program Agency must minimize the time elapsing between the transfer of funds from the United States Treasury and the State's payout of funds for Federal assistance program purposes, whether the transfer occurs before or after the payout of funds.

Additionally, a State and a Federal Program Agency must limit the amount of funds transferred to the minimum required to meet a State's actual and immediate cash needs.

If a grant is considered a major Federal assistance program, once the grant is included in a Treasury-State agreement, State interest liability accrues from the day Federal funds are credited to a State account to the day the State pays out the Federal funds for Federal assistance program purposes.

⁵ The CMIA regulations in 31 C.F.R. § 205.2 define "Federal Assistance" as a program included in the Catalog of Federal Domestic Assistance where funds are transferred from the Federal government to a State. Federal assistance programs include cooperative agreements, but do not include vendor payments or direct loans. Cares Act grants administered by OESE are included in the CFDA and are considered Federal assistance under the CMIA.

⁶ The CMIA regulations in 31 C.F.R. § 205.2 define "State" as a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, and the Virgin Islands. It includes any agency, instrumentality, or fiscal agent of a State that is legally and fiscally dependent on the State Executive, State Treasurer, or State Comptroller.

⁷ The thresholds for major Federal programs are cited in 31 C.F.R. §205.5.

⁸ Under 31 C.F.R. § 205.9, A State must use its most recent Single Audit report as a basis for determining the funding thresholds for major Federal assistance programs, unless otherwise specified in the Treasury-State agreement. Texas's State fiscal year 2020 audit which would include Texas's GEER fund, has yet to be issued at the time this report was written.

⁹ <https://www.fiscal.treasury.gov/cmia/resources-treasury-state-agreements.html>

b. The cash management standard for Federal assistance programs not included in a Treasury-State agreement.

Under 31 C.F.R §205.33, a State must minimize the time between the drawdown of Federal funds from the Federal government and their disbursement for Federal program purposes. A Federal Program Agency must limit a funds transfer to a State to the minimum amounts needed by the State and must time the disbursement to be in accord with the actual, immediate cash requirements of the State in carrying out a Federal assistance program or project. The timing and amount of funds transfers must be as close as is administratively feasible to a State's actual cash outlay for direct program costs and the proportionate share of any allowable indirect costs.

For Federal assistance programs not included in a Treasury-State agreement, interest liabilities to the Federal government are not incurred by the State.

2. The Uniform Guidance

For payments to non-Federal entities other than States, the Uniform Guidance requirements in 2 C.F.R. §200.305(b) apply. Payment methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity whether the payment is made by electronic funds transfer, or issuance or redemption of checks, warrants, or payment by other means. Additionally, 2 C.F.R. §200.305(b)(1) requires that the non-Federal entity or the passthrough entity may provide advance payments to subrecipients, provided it maintains or demonstrates the willingness to maintain both written procedures that minimize the time elapsing between the transfer of funds and disbursement by the non-Federal entity, and financial management systems that meet the standards for fund control and accountability as established in the Uniform Guidance. OOG has an affirmative responsibility to ensure that advance payments to a non-Federal entity must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the non-Federal entity in carrying out the purpose of the approved program or project. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the non-Federal entity for direct program or project costs and the proportionate share of any allowable indirect costs.

Please note that a similar summary of the cash management requirements was included as part of the grant award notification (GAN) to OOG (see GAN Enclosure 4).

The Office of the Texas Governor's Compliance with Cash Management Requirements

Based on the information provided by the OOG and its subrecipients, OOG did not follow cash management requirements when it drew down 100 percent of the GEER funds from the G5 system on June 26, 2020 and subsequently provided advance funding through subgrants to other State entities. OOG's practice of advance funding for the entire GEER subaward is inconsistent with the requirements of the CMIA because OOG did not limit the advance payment to actual and immediate cash requirements.

Table 1. Amount of GEER Funds OOG Subawarded*

GEER Award	GEER Subawards	Balance of GEER Funds with OOG
\$307,026,008	\$238,300,000	\$68,726,008**

*Based on information provided by OOG on November 9, 2020.

** OOG returned these funds to G5 system on January 15, 2021.

Table 2. Additional Detail on GEER Funds OOG Subawarded*

Subrecipient	Date of subaward	Subaward	Advance Payment	Expended	Balance
THECB	8/26/20	\$103,500,000	\$103,500,000	\$103,413,029	\$86,971
Windham School District c/o TEA	9/30/20	\$1,500,000	\$1,500,000	\$0	\$1,500,000
Texas School for the Deaf	9/30/20	\$800,000	\$800,000	\$4,931	\$795,069
TEA	9/30/20	\$60,000,000	**	\$0	\$60,000,000
Texas School for the Blind and Visually Impaired	10/2/20	\$1,000,000	\$1,000,000	\$0	\$1,000,000
THECB	10/21/20	\$71,500,000	\$71,500,000	\$0	\$71,500,000
	Total	\$238,300,000	\$178,300,000	\$103,417,960	\$134,882,040

*Based on information provided by OOG on November 9, 2020 and December 8, 2020.

**TEA requested to be paid through reimbursement.

The following is one example of OOG not minimizing the time elapsing between transfer of funds from the Department as close as is administratively feasible to OOG's actual cash outlay for direct program costs and the proportionate share of any allowable indirect costs, and not limiting advance payment to subrecipients to actual and immediate cash requirements:

- The Department awarded \$307,026,008 in GEER funds to OOG on June 2, 2020;
- OOG drew down the entire GEER award from the G5 system on June 26, 2020;
- OOG subawarded \$71,500,000 to THECB on October 21, 2020;
- OOG made advanced payment to THECB for the entire \$71,500,000 on or near the date of the subaward; and,
- As of November 30, 2020, \$71,078,288.14 of that advanced payment remained in THECB's program cost account with the Texas Comptroller of Public Accounts.¹⁰

¹⁰ Based on account balance information provided after the December 10, 2020 interview with THECB.

The CMIA requires that OOG minimize the time elapsing between transfer of funds from the Federal government as close as is administratively feasible to OOG's actual cash outlay for direct program costs and the proportionate share of any allowable indirect costs, and limit advance payment to subrecipients to actual and immediate cash requirements. Consistent with the CMIA, the Department expects that grantees will not draw funds from their Federal accounts in the G5 system until there is an actual and immediate need for those funds, and that when funds are drawn that the time between the draw from the G5 system until expenditure on allowable GEER fund activities is minimized. While the Treasury-State agreement establishes the period of time between a State drawing funds and incurring interest for funds subject to subpart A of the CMIA, grantees must also minimize the time between drawing down funds from the G5 system and expenditure of funds subject to subpart B of the CMIA or the Uniform Guidance cash management requirements. While neither subpart B of the CMIA, nor the Uniform Guidance establish a specific timeframe for minimizing the time between drawing and expending funds, based on best practices, the Department expects that grantees limit the time between drawing down funds from the G5 system and the expenditure to approximately 3 business days at most.

Rather than advance the entire subaward to subrecipients, OOG must limit advance payments to actual and immediate cash requirements. Based on the documentation provided by OOG, including documentation of the balances of GEER funds placed in the program costs accounts with the Texas Comptroller of Public Accounts, there was not an immediate need to provide each subrecipient the advance payment of the entire subaward.

Finally, the Department notes that under 2 C.F.R. §200.305(b)(8)-(9), non-Federal entities other than State entities, including institutions of higher education receiving funds through one of OOG's subrecipients, must place advance payment in interest bearing accounts and remit interest on advance payments of all Federal funds that exceeds \$500 through the Department of Health and Human Services' Payment Management System.¹¹ OOG noted that it will require its subrecipients to repay interest in excess of the threshold, and THECB, one of the GEER subrecipients further subawarding GEER funds to non-Federal entities other than States, provided information on the processes and procedures for tracking interest and repayment of interest in excess of the threshold in 2 C.F.R. §200.305(b), including having interest earned on GEER funds in its program cost accounts with the Texas Comptroller of Public Accounts to be placed in separate program cost accounts used solely to track earned interest.

CORRECTIVE ACTION

- a. Within 45 business days from the date of this report, OOG must:
 - i. provide evidence to the Department that OOG reminded its subrecipients about the requirements of the CMIA and the requirements in Uniform Guidance in C.F.R. § 200.305 regarding advance payments; and,

¹¹ See <https://pms.psc.gov/grant-recipients/returning-funds-interest.html>

- ii. require that OOG's subrecipients return any GEER funds that OOG provided through advance payment that remain unexpended, and return those funds to the G5 system until there is an actual and immediate need for those funds; and,
- b. Within 60 business days from the date of this report, OOG must provide to the Department:
 - i. a report detailing available subrecipient balances as of 45 days from the date of the report; and,
 - ii. evidence that OOG has returned all unspent GEER funds to the G5 system.
- c. By September 30, 2021, OOG must provide a report of:
 - i. all interest accrued by subrecipients as a result of advance payment of GEER funds;
 - ii. all interest accrued by non-Federal entities other than States subawarded GEER funds, including institutions of higher education receiving GEER funds from the THECB, and evidence that interest accrued in excess of \$500 by any non-Federal entities other than States was remitted to the Department of Health and Human Services consistent with the requirements of 2 C.F.R. §200.305(b)(9).

Internal Controls

ACTION REQUIRED



This section identifies cash management areas where the OESE staff has “significant compliance and quality concerns.”

For those issues, the OESE will outline the current practice, the nature of noncompliance, and the required action.

REQUIREMENT SUMMARY

Description: A Grantee must establish and maintain a system of effective internal controls over Federal awards that provides reasonable assurance that the Grantee 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 2 C.F.R. § 200.303, a non-Federal entity must establish and maintain effective internal control over a Federal award that provides reasonable assurance that the non-Federal entity 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)). A non-Federal entity’s internal controls¹² should comply 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 of these frameworks are an internal risk identification and assessment process, and a process for monitoring the operation of an organization’s internal controls.

While OOG provided examples of how it maintains various aspects of an internal controls framework, OOG did not provide documentation of OOG’s comprehensive internal controls framework. The five components of internal control (*i.e.*, control environment, risk assessment, control activities, information and communication, and monitoring) must be effectively designed, implemented, and operating, and operating together in an integrated manner, for an internal control system to be effective (*see e.g.*, GAO

¹² 2 C.F.R. 200.61 defines internal controls to mean a process, implemented by a non-Federal entity, designed to provide reasonable assurance regarding the achievement of objectives in the following categories: (a) Effectiveness and efficiency of operations; (b) Reliability of reporting for internal and external use; and (c) Compliance with applicable laws and regulations.

Green Book, pages 7, 15). If a principle or component is not effective, or the components are not operating together in an integrated manner, then an internal control system cannot be effective (pages 15, 17). The drawdown of the entire GEER award on June 26, 2020 and the advanced payment of subawards, totaling the entire award to GEER subrecipients, indicates a deficiency in OOG's internal controls with regard to ensuring compliance with cash management requirements for GEER funds.

Additionally, while OOG provided its process for assessing risk of subrecipients of GEER funds, and noted that its internal auditor may conduct some internal reviews of OOG's internal controls, OOG did not provide evidence of its process for assessing internal risk. Without a formal risk assessment process in place, there is a risk that OOG 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 risk.

CORRECTIVE ACTION

Within 60 business days of receiving this report, OOG must provide to the Department:

(1) documentation of a regular process (*e.g.*, quarterly, annually, biannually) for identifying internal risks (*see e.g.*, GAO Green Book, pages 34-42). 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) for evaluating the performance and/or effectiveness of the agency's internal controls framework (*see e.g.*, GAO Green Book, page 56). 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. While OOG cannot rely solely on external auditors to complete evaluations of internal controls, the process developed can be complementary in scope to the work performed by the external entities; and,

(3) documentation of OOG's internal controls framework, including any updated internal controls to ensure compliance with cash management requirements for GEER funds (*see e.g.*, GAO Green Book, page 29).

Subrecipient Monitoring

MET REQUIREMENTS WITH RECOMMENDATIONS ●●○○

REQUIREMENT SUMMARY

Description: A Grantee shall monitor subrecipients 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. 200.332\(d\)](#)

Issue

2 C.F.R. 200.332(d) requires that the recipient of a Federal award monitor the activities of its subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.

The Office of the Texas Governor (OOG) provided evidence that it has established methods for monitoring subrecipients.

OOG provided a copy of its Office of Compliance and Monitoring; Public Safety Office; Financial Risk Assessment and Monitoring Plan (updated Oct. 19, 2020), which notes that the risk assessment and monitoring will include GEER subrecipients, even though those subawards are not administered by the OOG's Public Safety Office. GEER subrecipients will be included in OOG's risk assessment, which is used to select subrecipients for monitoring. Based on the size of the GEER subawards (weighted 20 percent in the risk assessment), GEER subrecipients being new subrecipients to OOG (*i.e.*, the most recent grant year monitored is weighted 30 percent in the risk assessment); and the lack of history of grant awards from OOG (*i.e.*, the number of years the grantee received an award from OOG is weighted 20 percent in the risk assessment), OOG anticipated that GEER subrecipients would be selected for subrecipient monitoring. During the desk review, OOG staff mentioned that they are working to develop a GEER-specific monitoring protocol.

OOG provided evidence that it monitors subrecipients through monthly and quarterly reporting. OOG collects monthly reports from subrecipients on the expenditure of GEER funds. OOG collects and

reviews quarterly reports from subrecipients on performance measures (*e.g.*, the number of subgrants awarded for emergency student aid). OOG provided subrecipients with training on submitting monthly and quarterly GEER reports.

In addition to reporting and onsite or desk monitoring, subrecipients noted that OOG provided ongoing access to support and technical assistance. Subrecipients noted that OOG's eGrants systems provides options to get additional information and instructions, which limited the need to request information from OOG on submitting applications and reports. Subrecipients noted that OOG assigned a grant contact to each subrecipient, and that OOG has been very responsive to questions. Subrecipients, through the subrecipients' leadership, can also elevate issues to the Governor or OOG leadership where needed.

RECOMMENDATION

OOG provided documentation of its plans to include GEER subrecipients in OOG's risk assessment and subrecipient monitoring. However, OOG did not have a GEER-specific monitoring protocol developed at the time of our review. The Department expects that OOG will monitor subrecipients of GEER funds for program-specific requirements, in addition to cross-cutting fiscal and administrative requirements, to ensure subrecipients comply with applicable requirements. While the Department does not require OOG to submit additional documentation at this time, the Department recommends that OOG finalize its GEER funds subrecipient monitoring protocols, and ensure that its risk assessment identifies GEER subrecipients for monitoring, in order to avoid findings in any subsequent monitoring by the Department and in future audits.