

Wisconsin ESSER Program Monitoring FY 2022

Commendations
0

Met Requirements
18

Recommendations
1

Action Required
0

October 20, 2022



U.S. Department of Education
Office of Elementary and Secondary Education
400 Maryland Avenue, SW
Washington, DC 20202

Table of Contents

| | |
|--|----------|
| GENERAL INFORMATION | 3 |
| SECTION I..... | 5 |
| OVERVIEW OF VISIT..... | 5 |
| SECTION II..... | 6 |
| SUMMARY STATUS OF FISCAL & PROGRAM MONITORING INDICATORS..... | 6 |
| SECTION III..... | 8 |
| MET REQUIREMENTS WITH RECOMMENDATION | 8 |
| <i>ESSER PROGRAM FISCAL AND PROGRAM REQUIREMENT DOMAINS – COMPREHENSIVE MONITORING</i> | 8 |
| Subrecipient Monitoring..... | 8 |

GENERAL INFORMATION

OVERVIEW OF THE OESE PROJECT-BASED MONITORING

The Office of Elementary and Secondary Education (OESE) established the Elementary and Secondary School Emergency Relief (ESSER) Program monitoring process to conduct oversight of and provide assistance to State educational agencies (SEAs) as they administer ESSER funds.

This ESSER Program Monitoring Report summarizes the findings from the review of the Wisconsin Department of Public Instruction (WDPI) that occurred on August 24, 2022. The review covered:

Education Stabilization Fund (ESF) programs including the Elementary and Secondary Schools Emergency Relief Fund (ESSER) authorized under the Coronavirus Aid, Relief and Economic Security (CARES) Act, the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, and the American Rescue Plan (ARP), frequently referenced as ESSER I, ESSER II, and ARP ESSER.

The 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) and the Education Department General Administrative Requirements (EDGAR). 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 ESSER PROGRAM MONITORING 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 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

\$

FEDERAL FUNDING

| | |
|-----------|-------------------------------|
| ESSER I | \$174,777,774 ¹ |
| ESSER II | \$ 686,056,238 ² |
| ARP ESSER | \$ 1,541,867,439 ³ |

Dates of Review

August 24, 2022

ED Reviewers

Artrice Hardin (Management Support Office)
 Erin Hudson (Management Support Office)
 Shane Morrissey (Management Support Office)
 Eve Allen (State and Grantee Relations)
 Chris Fenton (State and Grantee Relations)
 Christopher Tate (State and Grantee Relations)

**Subrecipients
Participating in the
Desk Review**

Milwaukee Public School District
 Racine Unified School District

**Current Grant
Conditions**

| | |
|-------|------|
| ESSER | None |
| EANS | None |

¹ <https://oese.ed.gov/files/2020/04/ESSER-Fund-State-Allocations-Table.pdf>

² https://oese.ed.gov/files/2021/01/Final_ESSERII_Methodology_Table_1.5.21.pdf

³ https://oese.ed.gov/files/2021/06/Revised-ARP-ESSER-Methodology-and-Allocation-Table_6.25.21_FINAL.pdf

SECTION II

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 |
|---|-----------|
| A. Accounting Systems and Fiscal Controls | ● ● ● ● ○ |
| B. Cash Management and Payment Systems | ● ● ● ● ○ |
| C. Period of Availability and Carryover | ● ● ● ● ○ |
| D. Internal Controls | ● ● ● ● ○ |
| E. Audit Requirements | ● ● ● ● ○ |
| F. Records and Information Management | ● ● ● ● ○ |
| G. Personnel | ● ● ● ● ○ |
| H. Procurement | ● ● ● ● ○ |
| I. Equipment and Supplies Management | ● ● ● ● ○ |
| J. Indirect Costs | ● ● ● ● ○ |
| K. Charter School Authorization and Oversight | ● ● ● ● ○ |

ESSER PROGRAM FISCAL AND PROGRAM REQUIREMENT DOMAINS – COMPREHENSIVE MONITORING

| Topic | Status |
|---|-----------|
| A. State Context | ● ● ● ● ○ |
| B. Budgeting of the State Reserve and Subawards | ● ● ● ● ○ |
| C. Allocations/Sub-Award Process | ● ● ● ● ○ |
| D. CARES Act/Transparency Act Reporting | ● ● ● ● ○ |

| | |
|---------------------------------|---|
| E. Risk Assessment (LEA) |  |
| F. Subrecipient Monitoring |  |
| G. Maintenance of Effort (MOE) |  |
| H. Maintenance of Equity (MOEq) |  |
| I. Equitable Services |  |

Met Requirements with Recommendation

ESSER PROGRAM FISCAL AND PROGRAM REQUIREMENT DOMAINS – COMPREHENSIVE MONITORING

Subrecipient Monitoring

REQUIREMENT SUMMARY

Description: An SEA shall monitor local education agencies (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. § 200.332(d)

ISSUE

WDPI's subrecipient monitoring process includes a self-assessment, desk reviews, and as necessary, post-monitoring activities. WDPI provided its ESSER Application Review Guide and publicly available Monitoring Guidance document. WDPI's general monitoring process takes a three-pronged approach, to include universal monitoring to all LEAs, targeted monitoring based on risk-assessment results, and comprehensive monitoring of selected LEAs. When developing the State's plans for its use of ESSER funds, the Wisconsin Joint Committee on Finance, which must approve all aspects of the SEA's proposed use of ESSER funds, allotted half the amount of administrative ESSER funding that WDPI requested. As a result, WDPI was not able to hire additional staff until the fall of 2022, and has delayed beginning the comprehensive part of the ESSER monitoring process until there is staff time available to manage it.

RECOMMENDATION

The Department recommends that, when WDPI begins formal subrecipient monitoring, it submits documentation of the process in practice and a summary of its monitoring results. Wisconsin should prioritize post-award monitoring in fiscal year 2023 to ensure that subrecipients are properly managing their ESSER funds.