K-12 Fiscal and Programmatic Monitoring Handbook

30 IAM 19-H

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U.S. Department of the Interior
Bureau of Indian Education

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FOREWORD

The Bureau of Indian Education (BIE) is responsible for providing oversight of school spending and offering technical assistance to BIE-funded schools to support strong financial management and comprehensive programmatic documentation. This handbook outlines BIE's process and procedures for selecting and conducting Fiscal and Programmatic Monitoring, and High-Risk Targeted Reviews of BIE-funded schools. The corresponding Indian Affairs Manual (IAM) chapter, 30 IAM 19: K-12 Fiscal and Programmatic Monitoring, provides the general authorities and responsibilities and is the official policy for K-12 Fiscal and Programmatic Monitoring.

This handbook is intended for all BIE offices and personnel who conduct and implement the coordinated K-12 Fiscal and Programmatic Monitoring and High-Risk Targeted Reviews.

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1. Purpose

It is the Bureau of Indian Education's (BIE) policy to ensure that all monitoring activities related to kindergarten through grade 12 (K-12) school programs and funds are conducted effectively and implemented in a cooperative and coordinated manner. This handbook provides the procedure for conducting interdepartmental coordinated Fiscal and Programmatic Monitoring for BIE-funded schools as required by 30 IAM 19, K-12 BIE Fiscal and Programmatic Monitoring policy.

Note: The positions provided in this handbook and corresponding IAM chapter (30 IAM 19) are based on the Department of the Interior's (DOI) Secretary's Order 3334 and corresponding BIE organizational chart. These positions are not yet reflected in the BIE section of the DOI Departmental Manual (DM) (130 DM 8), which was last updated in August 2006. As with any policy or directive, the positions described herein are subject to change.

2. Identification of Schools

As described in this section, under section 2.B "*Risk Indicators*," certain indicators apply only to Tribally Controlled schools, while others apply only to Bureau-Operated schools. Because of this distinction, the Performance Office will annually calculate and separately rank all Tribally Controlled and Bureau-Operated schools. Rankings will be in descending order, from the highest to the lowest magnitude of fiscal and programmatic risk, following the process outlined in this section.

A. Risk Scoring

Risk scores represent the likelihood of fiscal and programmatic non-compliance. During the risk assessment, the Chief Performance Office (CPO) will assign a risk indicator score for each of the following five categories:

- **Insignificant (0):** Negligible indicator of risk.
- **Marginal (1):** Risk is present, but the potential for fiscal mismanagement or programmatic non-compliance is small. The likelihood of harm to financial management or program implementation is minor.
- **Low (2):** Risk exists with a low potential for fiscal mismanagement or programmatic non-compliance. The likelihood of harm is present but limited.
- **Moderate (3):** Risk exists with a moderate potential for fiscal mismanagement or programmatic non-compliance. The likelihood of harm to financial operations or program outcomes is moderate.
- **High (4):** Risk exists with a high potential for fiscal mismanagement or significant programmatic non-compliance. The likelihood of substantial harm to financial integrity or program effectiveness is high.

B. Risk Indicators

Risk Indicators serve as a key risk management tool used to assess the comparative fiscal and programmatic risk of BIE-funded schools. Specifically, these indicators help identify potential areas of concern that may impact a school's financial integrity or programmatic compliance. Each Risk Indicator represents a meaningful factor that determines the school's overall risk profile.

Because some indicators are more predictive of risk than others, each one is assigned a weight on a scale of one (1) to four (4), reflecting its relative importance. Each indicator described below is annotated to indicate whether it applies to Tribally Controlled schools, Bureau-Operated schools, or both.

Indicators will be reviewed annually for relevance.

Indicator 1: Student Enrollment by Percentage of Students with Disabilities above or below the current national average.

Applicable to: Bureau-Operated Schools and Tribally Controlled Schools
Weight: 1 (Risk Score will be multiplied by 1)

The CPO calculates the total enrollment and the number of identified students with disabilities to determine the percentage of enrolled students with disabilities, then ranks all BIE-funded schools by the percentage of enrolled students with disabilities from highest to lowest.

Based on the current national average 15%, the CPO assigns the Risk Scores as follows:

- Percentage of students identified 0% and 28% and above: Risk Score of 4
- Percentage of students identified 1% - 5% and 24% - 27%: Risk Score of 3
- Percentage of students identified 6% - 9% and 21% - 23%: Risk Score of 2
- Percentage of students identified 10% - 12% and 18% - 20%: Risk Score of 1
- Percentage of students identified 13% - 17%: Risk Score of 0

Indicator 2: Total School Funding

Applicable to: Bureau-Operated Schools and Tribally Controlled Schools
Weight: 2 (Risk Score will be multiplied by 2)

Schools with higher funding levels may have increased fiscal and programmatic risk due to the complexity of managing larger budgets. Risks may be elevated if funds are not timely obligated or if financial mismanagement leads to over-expenditures, staffing cuts, or shortened school years.

The CPO will rank all BIE-funded schools by total funding received and divide them into quintiles (five), then rank the quintiles by highest funding to lowest funding. Risk Scores will be assigned as follows:

- 1st Quintile (highest funding): Risk Score of 4

- 2nd Quintile: Risk Score of 3
- 3rd Quintile: Risk Score of 2
- 4th Quintile: Risk Score of 1
- 5th Quintile (lowest funding): Risk Score of 0

Indicator 3: Total Unobligated School Funds

Applicable to: Bureau-Operated Schools
Weight: 1 (Risk Score will be multiplied by 1)

Unobligated funds (i.e., those not committed to specific expenditures) may indicate delays or inefficiencies in financial planning. High unobligated balances near the end of the fiscal year can signal increased fiscal and programmatic risk.

The CPO will rank all Bureau-Operated Schools in descending order. Risk Scores will be assigned as follows:

- Schools that have Unobligated Funds: Risk Score of 4
- Schools that do not have Unobligated Funds: Risk Score of 0

Indicator 4: Unobligated Individuals with Disabilities Education Act (IDEA) Funds

Applicable to: Bureau-Operated Schools
Weight: 4 (Risk Score will be multiplied by 4)

Unobligated IDEA funds may risk delays in delivering services for students with disabilities. Failure to obligate these funds in a timely manner may result in noncompliance with federal requirements.

The CPO will rank all Bureau-Operated Schools with unobligated IDEA funds in descending order. Risk Scores will be assigned as follows:

- Schools with unobligated IDEA funds: Risk Score of 4
- Schools with no unobligated IDEA funds: Risk Score of 0

Indicator 5: Over-Expenditure of Funds

Applicable to: Bureau-Operated Schools
Weight: 4 (Risk Score will be multiplied by 4)

Over-expenditures, whether actual or projected, indicate significant fiscal risk and may reflect weak financial planning or internal controls.

School Operations will identify Bureau-Operated Schools that have over-expended or are projected to over-expend their available funds. Risk Scores will be assigned as follows:

- Schools that have over-expended or are projected to over-expend funds: Risk Score of 4
- Schools without over-expenditures: Risk Score of 0

Indicator 6: Single Audit Findings

Applicable to: Tribally Controlled Schools
Weight: 1 (Risk Score will be multiplied by 1)

The number of Single Audit findings reflects the strength of a school's internal controls and compliance with federal requirements. A higher number of findings suggest higher fiscal and programmatic risk.

The CPO will identify Tribally Controlled Schools with Single Audit findings. Risk Scores will be assigned as follows:

- 7 or more findings: Risk Score of 4
- 5 to 6 findings: Risk Score of 3
- 3 to 4 findings: Risk Score of 2
- 1 to 2 findings: Risk Score of 1
- No findings: Risk Score of 0

Indicator 7: Single Audit Questioned Costs

Applicable to: Tribally Controlled Schools
Weight: 4 (Risk Score will be multiplied by 4)

Questioned costs in a Single Audit may indicate improper use of federal funds or noncompliance with grant requirements, representing significant fiscal and programmatic risk.

The CPO will identify Tribally Controlled Schools with questioned costs reported in their Single Audit. Risk Scores will be assigned as follows:

- $60,000.00 or more: Risk Score of 4
- $30,000.00 to $59,999.99: Risk Score of 3
- $15,000.00 to $29,999.99: Risk Score of 2
- $0.01 to $14,999.99: Risk Score of 1
- No questioned costs: Risk Score of 0

Indicator 8: Single Audit Sanctions

Applicable to: Tribally Controlled Schools
Weight: 4 (Risk Score will be multiplied by 4)

Single Audit-related sanctions reflect serious compliance issues and are strong indicators of fiscal risk. Sanctions may result from repeated findings, questioned costs, or failure to meet audit requirements. Aligns with 5 IAM 2, Single Audits policy.

The CPO will identify all Tribally Controlled Schools currently under Single Audit sanctions. Risk Scores will be assigned as follows:

- Sanction Level 3: Risk Score of 4
- Sanction Level 2: Risk Score of 3

- Sanction Level 1: Risk Score of 2
- Schools on Sanctioned Level due to Tribal Audits: Risk Score 1
- No current sanctions: Risk Score of 0

Academic Performance

An academic indicator is a measurable outcome used to evaluate student achievement and school performance, such as proficiency in reading and math, other academic indicators (science), English learner progress, graduation rates, and chronic absenteeism. Schools will be evaluated on five indicators, though small schools may not meet the minimum n-size (or the sample size) on each indicator, and so may be evaluated by other means. These indicators will apply uniformly to all schools in the BIE. These indicators provide critical data for identifying schools that may need additional support to meet federal accountability standards.

Indicator 9: Accountability Determination Designation

Applicable to: Bureau-Operated Schools and Tribally Controlled Schools
Weight: 1 (Risk Score will be multiplied by 1)

The BIE is a federal agency and is not included in Elementary and Secondary Education Act of 1965 (ESEA), as amended by Every Student Succeeds Act (ESSA) definition of a state; therefore, not all provisions applicable to states apply to BIE. However, ESEA requires BIE to issue regulations defining the standards, assessments, and an accountability system consistent with ESEA's requirements for BIE-funded schools, considering the unique circumstances and needs of the schools and students (see 25 CFR 30, Standards, Assessments, and Accountability System).

The purpose of BIE's accountability system is to identify schools that could benefit from additional support and intervention. BIE's accountability system has indicators that measure various aspects of school and subgroup performance.

Based on this classification, the CPO will assign Risk Scores as follows:
- Schools identified as Needs Improvement: Risk Score of 4
- Schools identified as Approaching Expectations: Risk Score of 2
- Schools identified as Meets or Exceeds Expectations: Risk Score of 0

Indicator 10: Change in School Leadership (Superintendent or Principal)

Applicable to: Bureau-Operated Schools and Tribally Controlled Schools
Weight: 1 (Risk Score will be multiplied by 1)

Leadership transitions can impact school operations, planning, and program implementation. A change in key leadership, such as a new superintendent or principal, within the past two years may indicate a period of adjustment or instability, contributing to fiscal and programmatic risk.

Education Resource Center (ERC) ADDs will identify and list all schools that have had a

leadership change (superintendent or principal) within the last two years and provide it to the CPO.

Based on this information, the CPO will assign Risk Scores as follows:

- Schools with a new superintendent or principal (within the last 2 years): Risk Score of 4
- Schools without a new superintendent or principal change in the last 2 years: Risk Score of 0

Required Reporting

Schools are subject to a range of fiscal and programmatic reporting requirements under federal statutes, regulations, and policies, including ESSA, IDEA, and guidance from the Office of Special Education Programs (OSEP). Failure to complete and submit these required reports is a strong indicator of elevated fiscal and programmatic risk.

Additionally, the filing of a formal IDEA State Complaint against a school may signal that funds intended to support students with disabilities have been used ineffectively or inappropriately, further highlighting potential deficiencies in program implementation and financial oversight.

Indicator 11: ESSA Reporting Documents

Applicable to: Bureau-Operated Schools and Tribally Controlled Schools
Weight: 1 (Risk Score will be multiplied by 1)

Timely and accurate submission of ESSA-required documentation, such as the Schoolwide Plan (i.e. One Plan), is essential for ensuring compliance with federal accountability requirements. Delays or failures in submission may indicate administrative or programmatic challenges and contribute to programmatic risk.

The Division of Performance and Accountability (DPA) will identify and list all BIE-funded schools based on the status of their most recent One Plan submission.

Based on the status, the CPO will assign Risk Scores as follows:

- Schools that have not submitted the most current Schoolwide Plan: Risk Score of 4
- Schools that submitted the Schoolwide Plan but it was returned for revisions: Risk Score of 2
- Schools that submitted the Schoolwide Plan and it was approved: Risk Score of 0

Indicator 12: IDEA Part B Application Submissions

Applicable to: Bureau-Operated Schools and Tribally Controlled Schools
Weight: 1 (Risk Score will be multiplied by 1)

The timely and complete submission of the IDEA Part B Application is essential for ensuring continued funding and compliance with federal special education requirements. Late or missing submissions may indicate administrative challenges and contribute to programmatic risk.

The DPA will identify and list all schools based on the status of their most recent IDEA Part B Application submission.

Risk Scores will be assigned as follows:

- Schools that have not submitted the most current IDEA Part B Application: Risk Score of 4
- Schools that submitted the most current IDEA Part B Application after the deadline: Risk Score of 2
- Schools that submitted the most current IDEA Part B Application on time: Risk Score of 0

Indicator 13: IDEA School Levels of Determination Submissions

Applicable to: Bureau-Operated Schools and Tribally Controlled Schools
Weight: 2 (Risk Score will be multiplied by 2)

Based on specific criteria[1], the BIE determines the level of each school with an academic program in meeting the requirements of Part B of IDEA. These determinations reflect a school's ability to meet federal special education requirements and are a key indicator of programmatic risk.

The DPA and the CPO will identify and list the BIE determination levels for all schools.

Risk Scores will be assigned based on the most recent OSEP designation as follows:

- Needs Substantial Intervention: Risk Score of 4
- Needs Intervention: Risk Score of 3
- Needs Assistance: Risk Score of 2
- Meets Requirements: Risk Score of 0

Indicator 14: Substantiated IDEA State Complaints

Applicable to: Bureau-Operated Schools and Tribally Controlled Schools
Weight: 2 (Risk Score will be multiplied by 2)

Formal state complaints filed under the IDEA may indicate noncompliance with special education requirements and signal potential programmatic risk. These complaints when substantiated, reflect issues in service delivery, procedural safeguards, or adherence to federal and state regulations.

The DPA will identify and list schools that have received a formal substantiated IDEA state complaint. Schools that have not received a formal substantiated state complaint will also be identified.

[1] The specific criteria is identified and monitored through the BIE Division of Performance Accountability, and can be found on the BIE SPP/APR Indicator Performance website: https://www.bie.edu/DPA/SPPAPRIndicator.

Based on this classification, the CPO will assign Risk Scores as follows:

- Schools that received a formal substantiated state complaint in the previous school year: Risk Score of 4
- Schools that have not received a formal substantiated state complaint in the previous school year: Risk Score of 0

C. Risk Indicator Table Summary:

Risk Indicator	Risk Weight	BOS	TCS
Percentage of students identified as Special Needs (Previous SY)	1	x	x
Total Funding (Previous SY)	2	x	x
Unobligated Funds (Previous SY)	1	x	-
Unobligated IDEA Funds (Previous SY)	4	x	-
Over-Expenditure of Funds (Previous SY)	4	x	-
Single Audit Findings (Current Data)	1	-	x
Single Audit Questioned Costs (Current Data)	4	-	x
Single Audit Sanctions (Current Data)	4	-	x
Schools Identified for Comprehensive Support and Improvement (CSI) (Current Status)	1	x	x
New Superintendent or Principal (Previous 2 SYs)	1	x	x
ESSA Reporting Documents (Previous SY)	1	x	x
IDEA Part B Application Submissions (Previous SY)	1	x	x
OSEP Level of Determination Submission (Current Status)	2	x	x
Substantiated IDEA State Complaints (Previous SY)	2	x	x
Last Year Monitored (Exclude within 5 Years)	1	x	x
Total Indicators	-	12	12

3. School Selection After Ranking

Once schools have been ranked for monitoring, the following procedures will be applied to determine the final selection list for the current year:

A. Exclusion Rule Based on Prior Monitoring

Schools that have undergone Fiscal and Programmatic Monitoring within the past five (5) years pursuant to this monitoring will not be selected for monitoring again in the current year.

B. Minimum Selection Requirements

Each monitoring cycle will include at least:

- One (1) Bureau-Operated School (BOS)
- One (1) Navajo Bureau-Operated School (NAV BOS)
- One (1) Navajo Tribally Controlled School (NAV TCS)
- Three (3) Tribally Controlled Schools (TCS)

C. Tie-Breaker Procedures

If ranked schools result in a tie after the exclusion rule is applied (as provided in section 3(A) of this handbook), a joint determination by leadership will determine which schools will be reviewed. The CPO, Auditor, and ADD-Strategic Education Programs will consider contextual factors (e.g., programmatic concerns, prior monitoring findings, geographic distribution) to determine which school(s) will be selected. A written justification will be documented to ensure transparency and consistency.

D. Alternative School Selection Requests

An ADD may formally request that an alternative school be selected in place of a ranked school. Such requests must be supported by written evidence demonstrating a compelling need (e.g., significant emerging concerns, compliance issues, or exceptional circumstances). The ADD–Strategic Education Programs must review and approve the request, and the decision with supporting evidence will be documented in the official selection record.

E. Announcement of and Use of School Ranking

The official announcement of schools selected for Fiscal and Programmatic Monitoring and High-Risk Targeted Reviews will be issued by the Chief Performance Office. Information regarding the ranking of schools is considered internal and restricted for use by the Chief Performance Office only. This information must not be disseminated, cited, or used by other BIE divisions or offices without the prior written approval of the Chief Performance Officer.

4. Team Member Selection

Members of the BIE Senior Leadership Team, as defined in 30 IAM 19, BIE Fiscal and Programmatic Monitoring Policy, will designate staff to serve as monitoring team members. The BIE Senior Leadership Team includes Leaders from the Division of School Operations, as well as the Associate Deputy Directors (ADDs) for:

- Bureau-Operated Schools (ADD–BOS)
- Division of Performance and Accountability (ADD–DPA)
- Navajo Schools (ADD–NAV)
- Tribally Controlled Schools (ADD–TCS)

A. Selection of Team Members

1) The Performance Office Lead (POL) determines the number and composition of Team Members needed from each BIE division, in accordance with corresponding policy, 30 IAM 19. The CPO Division determines what Team Members are needed based on the type of review, Fiscal and Programmatic Monitoring or High-Risk Targeted Review.

2) The POL will submit a customized Team Member request to respective Division Leaders within 30 days of school selection.

3) Division Leaders will review the request and provide specific Team Member assignments to the POL within 30 days of receiving the request.

B. General Composition of Team Members

Once the final list of schools is confirmed, the respective ADD or Senior Leader will designate Team Members from their divisions to serve on the review teams. Each monitoring team may include the following representatives:

1) ADD Offices – Navajo, Tribally Controlled, Bureau-Operated (ADDs)

   ADDs responsible for schools selected for Fiscal and Programmatic Monitoring may assign team members based on the specific needs of each school. The monitoring team may include the following:

   - One (1) Education Specialist - Special Education
   - One (1) Curriculum, Instruction, and Assessment Specialist
   - One (1) Native Language, Culture, and History Specialist
   - One (1) Residential Life Specialist
   - One (1) Student Safety Specialist
   - One (1) Student Behavioral Health Program Specialist
   - One (1) School Board Specialist

2) Division of Performance and Accountability (DPA)

   DPA will assign the following team members to each Fiscal and Programmatic Monitoring Team:

   - One (1) Supplemental Education Program Specialist (Supplemental Education Programs)

- One (1) Special Education Specialist (IDEA): The POL may request an additional IDEA Specialist based on the specific needs of the school being monitored.

3) Education Resource Center (ERCs)

   ERCs responsible for schools selected for Fiscal and Programmatic Monitoring will assign, at a minimum, the following Team Members:

   - One (1) Education Program Administrator (EPA); and/or
   - One (1) School Improvement Specialist.

4) School Operations

   The BIE School Operations Division (School Ops) will assign the following team members to each Fiscal and Programmatic Monitoring Team, at a minimum:

   - One (1) Grants Management Specialist (Tribally Controlled Schools). If needed, an additional Grants Management Specialist may be assigned to support the monitoring.
   - One (1) Financial Analyst (Bureau-Operated Schools). If needed, an additional Financial Analyst may be assigned to support the monitoring.

5. Notice of Fiscal and Programmatic Monitoring

A. Initial Contact with School Leadership

The POL will contact the assigned school's leadership within 45 days of the final school selection. In collaboration with the school's leadership, the POL will schedule a time to present the pre-visit webinar. The POL and EPA will work with the school's leadership to confirm a date to conduct the Fiscal and Programmatic Monitoring review, with the consideration to minimize school disruption.

B. Formal Written Notice to the School

The ADD SEP will submit a formal written notice to the school and its governing school board that:

1) is sent no later than five (5) business days after the initial contact described in section 5 (A) above; and

2) includes (subject to change):
   - the date and time of the scheduled pre-visit webinar; and
   - the date and time of the scheduled Fiscal and Programmatic Monitoring, if applicable.

- required documentation
- requested interviews
- the monitoring tool

C. Notification to Team Members

The POL will notify all assigned Team Members of the following:

1) the scheduled dates and times for the pre-visit webinar and monitoring; and

2) any associated work assignments, work product deadlines, and pre- or post-visit Team Meetings.

6. Division Monitoring

The Fiscal and Programmatic Review consists of documents outlined below that collectively demonstrate compliance, internal controls, and effective program implementation. Together, the required documents outlined provide evidence that funds are managed responsibly, activities are implemented as approved, and program outcomes are monitored and used to inform improvement efforts. The review process ensures both regulatory compliance and program effectiveness.

A. Fiscal and Programmatic Monitoring Documents

Budget and Financial Records

1) Schoolwide Budget with Justifications
2) Current Approved Schoolwide Budget Quarterly Reconciliations (BOS) or Budget Amendments (TCS)
3) Chart of School Accounts (TCS)
4) Trial Balances for Current and Previous School Year
5) Expenditure Reports by School Program
6) SF-425 – Federal Financial Report (TCS)
7) Most Recent School Single Audit (TCS)

Banking and Investment Documentation

8) Itemized List of School Bank and Investment Accounts (TCS)
9) School Bank and Investment Account Records/Statements (TCS)
10) School Bank Reconciliations
11) School Account Signatories List

General Ledger and Accounting

12) All School General Ledgers by Program
13) All School Cuff Accounts by Program

One-Time or Emergency Federal Funds (e.g., COVID-19) (if applicable)

14) Budget, Modifications with Justifications

15) Expenditure Reports
16) Procurement Records
17) Inventory of Items Purchased
18) Programmatic Outcomes or Reports
19) Federal Reporting Submissions

Payroll and Staffing Documentation

20) School Payroll Plan (BOS)
21) School Payroll Adjustments (BOS)
22) School Time and Attendance Records, QuickTime, Time and Effort (BOS) or Leave and Earning Statements (TCS)
23) School Staff Listing and Payroll Summary for the Current School Year
24) List of School Personnel Organized by Program, Classroom Assignments
25) Highly Effective Teachers and Paraprofessionals Certification

Credit and Charge Card Documentation

26) All School Credit and Charge Card Statements
27) All School Credit and Charge Card Logs (if applicable)
28) All School Credit and Charge Cardholder Agreements (if applicable)
29) All School Policies Regarding Credit and Charge Card Approval and Tracking

Procurement and Contracts

30) School Procurement Policy and Procedure
31) All School Contracts with Supporting Documents to Verify Service Delivery

Inventory and Property Management

32) Itemized School Inventory of Equipment, Vehicles, and Furniture Purchased with Any BIE Program Funds
33) Itemized School List of GSA Vehicles Paid with BIE Program Funds (BOS)
34) School Vehicle Usage and Mileage Logs

Travel Documentation

35) School Travel Logs, Authorizations, Justifications, Receipts, Cost Assignments, and Travel Accomplishment Reports (BOS)

Special Education Documentation

36) School Service Logs for Special Education
37) School Part B Application and Assurances

Federal Program Documentation

38) ESEA applicable Formula and Discretionary Grants
39) School Parent Involvement Policy
40) School Parent Compact
41) All School Training and Meeting Logs, i.e. Agendas and Sign-in sheets
42) All School Parent Engagement Logs Regarding Students with Disabilities
43) All School ISEP Student Count Documents

Policies and Procedures

44) All School Policy and Procedure Manuals
45) School's Financial Policy, Procedure, or Manual
46) Conflict of Interest, Ethics Statement

B. High-Risk Targeted Review Monitoring Documents

A High-Risk Targeted Review may include the documents listed above and additional documents related to the scope of the review. Due to the nature of High-Risk Targeted Reviews additional documents may be needed based on the scope of the review.

7. Pre-Visit Information

At a minimum, schools will have the option to participate in one of two pre-visit webinars, one for Tribally Controlled Schools and one for Bureau-Operated Schools. Alternately, a school may choose to receive detailed written materials outlining the procedures and requirements for the Fiscal and Programmatic Review. Both options will occur at least thirty (30) days prior to a school's scheduled Fiscal and Programmatic Monitoring visit.

The purpose of the webinar/written materials is to provide guidance and instructions to school leadership in preparation for the monitoring process, provide key information, and address any questions or concerns in advance.

A. POL Tasks

1) Prepare and facilitate the pre-visit webinar presentation and prepare written materials outlining the procedures and requirements for the Fiscal and Programmatic Review.

2) Coordinate with school leadership to ensure scheduling minimizes disruption to school operations.

3) Assign or delegate slide preparation and presentation responsibilities to appropriate Team Members, as needed.

4) Establish a cloud storage folder and collect pre-visit monitoring documents, as needed.

5) Schedule and organize staff, teacher, and student interviews to be conducted by Team Members.

B. Team Members

Team Members will review presentation materials to determine if any updates need to take place after their division's annual review of monitoring indicators.

C. Pre-Visit Webinar Information

Prior to the monitoring review, schools have the option to attend a live virtual pre-visit webinar or to obtain detailed written materials outlining the procedures and requirements for the Fiscal and Programmatic Review.

At a minimum, pre-visit information will include:

- Purpose of Fiscal and Programmatic Monitoring
- Process for Identifying Schools for Fiscal and Programmatic Monitoring
- Dates of the Fiscal and Programmatic Monitoring and Agenda
- Overview of the Fiscal and Programmatic Monitoring Process
- Requested Documents for schools to gather and access
- Questions, Comments, and Discussion
- Resources
- Program Contact Information

8. Fiscal and Programmatic Monitoring

The Fiscal and Programmatic Monitoring is composed of four (4) general components: (1) the Morning Briefing; (2) Afternoon Debriefings; (3) sub-Team interviews and monitoring; and (4) submission to the school of emergent or time-critical findings and accompanying technical assistance (if applicable).

A. Morning and Afternoon Briefings

The POL and Team Members will facilitate a briefing between the school leadership and staff. The POL and Team Members will:

- introduce themselves by providing their name and title;
- describe the function of their position;
- communicate the scope and nature of the Fiscal and Programmatic Monitoring, including how the team will conduct its work;
- provide for any logistical needs on the part of the school and the Team; and
- review the Fiscal and Programmatic Monitoring schedule and adjust the schedule if needed.

During the afternoon debriefing, the POL and Team Members will:

- recap the progress of the monitoring;
- identify action items for the upcoming days; and
- engage in discussion, provide clarification, and address any questions.

B. Interview and Monitoring sub-Teams

During interview and monitoring activities, Team Members will be organized into the following sub-Teams:

- Respective ADD Offices
- DPA
- Education Resource Center
- School Operations

Division Team Members will monitor schools based on monitoring indicators to determine if the school is in compliance. Monitoring indicators are aligned to regulations and the school's status on each monitoring indicators are included in the Final Monitoring Report. Each sub-Team has specific responsibilities and designated members, as outlined below.

1) ADD Offices (BOS, NAV, TCS)

   Composition: Team Members can be comprised of the following one (1) Special Education Specialist, one (1) Native Language, Culture, and History Specialist, one (1) Curriculum, Instruction, and Assessment Specialist, one (1) Residential Specialist (if applicable), one (1) School Safety Specialist, and one (1) Student Behavioral Health Program Specialist, and/or one (1) School Board Specialist

   Responsibilities:

   a) Education Program Specialist (Special Education)
      i. Collaborate with the DPA IDEA Specialist in carrying out assigned responsibilities.
      ii. Review IEPs and evaluate the use of the 15% ISEP set-aside.
      iii. Submit coordinated findings and technical assistance plans (if applicable) to the POL.
   b) Curriculum, Instruction, and Assessment Specialist
      i. Conduct focus group interviews with curriculum and instruction staff.
      ii. Review BIE-funded curriculum and instruction programs and associated fund use; document findings; recommend corrective actions; and provide technical assistance as needed.
      iii. Submit findings and technical assistance plans (if applicable) to the POL.

   Other ADD Specialists follow similar monitoring and reporting processes within their respective specialty areas.

2) Division of Performance and Accountability

   Composition: At least one (1) SEP Specialists and one (1) IDEA Specialist.

   Responsibilities:

   a) SEP Specialist

i. Conduct focus group interviews with school leadership, staff, parents, and students.

ii. Review the ESSA One Plan, Schoolwide Budget, and allowable use of funds; document findings; recommend corrective actions; and provide technical assistance as needed.

iii. Review personnel files to ensure instructional staff meet highly effective requirements; document findings; recommend corrective actions; and provide technical assistance as needed.

iv. Assist in verifying school documents for ESSA Title compliance as needed.

v. Submit findings, corrective actions, and any required technical assistance plans to the POL for inclusion in the Final Monitoring Report.

b) IDEA Specialist

i. Conduct focus group interviews with school leadership, IDEA staff, students, and parents.

ii. Review the IDEA Part B Application and Spending Plan, IEPs, classroom observations, and allowable use of IDEA funds; document findings; recommend corrective actions; and provide technical assistance as needed.

iii. Review special education personnel qualifications and training to ensure effectiveness.

iv. Conduct evidentiary review of IDEA compliance documents (IEPs, Child Find Notices, Procedural Safeguards).

v. Verify appropriate use of IDEA funds for special education staffing.

vi. Compare LRE statistics against interviews and observations.

vii. Review services by related service providers and IEP-specific materials/supplies.

viii. Draft and submit coordinated findings and any required technical assistance to the POL (in collaboration with the ADD IDEA Specialist) for inclusion in the Final Monitoring Report.

3) Education Resource Center

Composition: At least one (1) EPA and/or one (1) School Improvement Specialist.

Responsibilities:

a) EPA and School Improvement Specialist

i. Conduct focus group interviews with staff across ISEP Instructional, ISEP Residential (if applicable) and ISEP Supplemental Programs (Special Education, Gifted and Talented Education, and Language Programs: Limited English Proficiency and Native Language Learners).

ii. Review ISEP program compliance, and allowable use of program funds; document findings; recommend corrective actions; and provide technical assistance as needed.

iii. Review personnel files to ensure instructional staff certification.

iv. Verify and certify the number of eligible students for ISEP Instructional, ISEP Residential (if applicable) and ISEP Supplemental Programs (Special Education, Gifted and Talented Education, and Language Programs: Limited English Proficiency and Native Language Learners).

v. Assist in verifying and reviewing program documents as necessary.

vi. Submit findings and any required technical assistance plans to the POL for inclusion in the Final Monitoring Report.

4) School Operations

Composition: At least one (1) Grants Management Specialist (TCS) or one (1) Financial Analyst (BOS).

Responsibilities:

a) Grants Management Specialist(s)

i. Review expenditure files, payroll, credit card statements, travel, and budget documents; document preliminary findings; and forward them to the appropriate Team Member.

ii. Review grant compliance documentation; identify missing reports.

iii. Review Single Audit Reports, assist during monitoring to resolve findings, and finalize management decisions.

iv. Review background check compliance.

v. Review equipment inventories, vehicles, and furniture purchased with BIE funds.

vi. Assess school financial internal controls.

vii. Submit findings and any required technical assistance plans to the POL for inclusion in the Final Monitoring Report.

b) Financial Analyst(s)

i. Review expenditure files, payroll, credit card statements, travel, and budget documents; document preliminary findings; and forward them to the appropriate Team Member.

ii. Assess school financial internal controls.

iii. Review equipment inventories, vehicles, and furniture purchased with BIE funds.

iv. Prepare a customized financial forecast.

v. Submit findings and any required technical assistance plans to the POL for inclusion in the Final Monitoring Report.

C. Exit Meeting

An Exit Meeting will be conducted virtually one week after the monitoring visit concludes. The meeting is led by the POL in coordination with the Team Members. Required attendees include the school leadership, Team Members, ADD, and other designated stakeholders as determined by the school. During the Exit Meeting, the Team Members will provide a summary of preliminary findings, highlight areas of strength, and outline any corrective actions or any required technical assistance that may be required. The Exit Meeting also serves as an opportunity for the school to ask questions, provide clarification, and discuss next steps.

D. Format of Monitoring

The format of monitoring refers to the method by which the monitoring is conducted either on-site (in person) or virtual (online).

Fiscal and Programmatic Monitoring and High-Risk Targeted Reviews are generally conducted on-site. However, under special circumstances such as a public health emergency, government shutdown, or other events outside of the department's control, the monitoring format may be adjusted. In such cases, the Chief Performance Officer, in consultation with the POL and the ADD of Strategic Education Programs, may authorize a switch from on-site monitoring to a virtual format. When virtual monitoring is conducted, it will follow the same standards, procedures, and expectations as on-site monitoring to ensure consistency, accountability, and quality of oversight. This approach aligns with federal guidance, which permits the Federal agency or pass-through entity to conduct in-person or virtual site visits as warranted (2 CFR 200.329(f)).

9. Post-Monitoring Final Report

A. Draft Report and Comment Period

The POL will compile and submit the draft monitoring report to the school within 30 days after the Exit Meeting. The school will have 30 days from receipt of the draft report to submit comments, amendments, or additional documentation for consideration prior to finalizing the report.

The POL will review any submitted comments, amendments, or documentation and incorporate revisions, as appropriate, before issuing the final monitoring report.

B. Final Monitoring Report

The Final Monitoring Report contains all verified findings, corrective actions, recommendations, and any required technical assistance. The final report will be issued to the school no later than

30 days following the end of the school's 30-day comment period for the draft report.

To meet this timeline, the POL will implement the following internal deadlines and processes:

Internal Submission Timelines

- Team Members must submit their monitoring results for assigned indicators within 15 calendar days after the Exit Meeting.
- The POL will compile, analyze, and draft the Final Monitoring Report based on:
  - Verified findings
  - Documentation submitted during the monitoring
  - Documentation submitted during the school's 30-day comment window

The draft final report is reviewed by the POL and then by the Chief Performance Officer, who provides final approval prior to distribution.

Task	**Timeframe**
Team Members Report Feedback	15 days (Days 1 – 15)
POL Draft Report	15 days (Days 16 – 30)
Draft Report Issued	Day 30
School Comment Period	30 days (Days 31 – 60)
BIE Review of Comments and Finalize Report	30 days (Days 61 – 90)
Final Report Issued	Day 90

Submission of Final Report to the School

Before the Final Monitoring Report is issued, the POL will ensure it includes, at minimum:

1) Clearly written and itemized findings and corrective actions
   - Alignment to specific monitoring indicators.
   - Required due dates for corrective actions.

2) Technical assistance (if applicable)
   - Defined roles and responsibilities for follow-up support
   - A schedule for follow-up technical assistance

3) Executive Summary
   - General narrative including location, mission, history, and enrollment
   - Summary of monitoring results, including strengths, challenges, and findings

4) An overview of the monitoring process and methodologies used.

5) Detailed section of findings, monitoring indicators, corrective actions, due dates, and any required technical assistance.

6) Recommendations Appendix (not tied to findings)

- Contact information for all monitoring Team Members
- Appendices submitted by sub-teams
- Recommendations that are not required corrective actions and are not tracked for completion

10. After the Monitoring

Following the completion of the monitoring visit and issuance of the Final Fiscal and Programmatic Monitoring Report, the POL will ensure that post-monitoring follow-up is carried out in a structured and consistent manner.

A. Follow-Up Meetings

Within 30 days of the finalized report, the POL will schedule recurring follow-up meetings with BIE Team Members. These meetings will take place every three (3) weeks until all identified findings are closed and any required technical assistance has been delivered. Team Members will continue to participate in the follow-up meetings until their respective findings are fully resolved.

Findings of noncompliance under IDEA must be corrected "as soon as possible, and in no case later than one year" after identification of the non-compliance. 34 CFR 300.600(e).

B. Close-Out Letter

Once all findings are closed and any required technical assistance has been provided by the BIE, the POL will issue a formal close-out letter to the school and respective Senior Leadership. This letter will document that all corrective actions have been addressed and that the monitoring is officially closed.

C. Updates to Senior Leadership

The POL will periodically provide progress updates to BIE Senior Leadership on the status of findings and technical assistance, as applicable.

D. Extended Open Findings

In cases where findings remain unresolved for more than two years, the POL, in consultation with the Chief Performance Officer, may initiate either a desk audit or a targeted review. This additional review will assess barriers to closure and determine the root causes of why findings have not been resolved. BIE may also consider enforcement actions for extended open findings.

E. Misuse of Funds

If, at any point during the monitoring or follow-up process, a misuse of funds is identified, the matter will be documented and immediately referred to the Office of Inspector General (OIG) in accordance with federal oversight requirements.

11. High-Risk Targeted Review

Schools may be selected for a High-Risk Targeted Review when significant fiscal or programmatic concerns have been identified. The EPA may submit a formal request for a High-Risk Targeted Review with the approval of the respective ADD. Tribal Governments, Tribal Education Departments, or Governing Boards may also submit a written request to the BIE requesting that the BIE conduct a High-Risk Targeted Review. However, such requests must include supporting documentation that substantiates the identified concerns.

Upon receipt, the POL and the Chief Performance Officer will review the request and make a referral to the ADD - Strategic Education Programs, who will provide a final decision in writing within 30 days whether the review will proceed. The Chief Performance Officer will schedule and coordinate High-Risk Targeted Reviews with the respective EPA and school, with no more than five such reviews conducted annually based on office capacity and availability. Emergency circumstances may warrant additional reviews beyond this limit if the situation poses significant risk to the safety of individuals, program integrity, or federal resources.

A. Types of High-Risk Reviews

1) *Emergency Review***:** Conducted when immediate action is necessary to address threats to student or staff safety, imminent loss or misuse of federal funds, or other urgent risks requiring rapid intervention.

2) *Non-Emergency Review***:** Conducted when there is evidence of ongoing concerns such as violations of student rights, risks to health and welfare, or patterns of fiscal or programmatic mismanagement that require corrective action but do not present an immediate danger.

These monitoring indicators guide the determination of urgency, scope, and process of the High-Risk Targeted Review to ensure compliance, safeguard resources, and protect the well-being of students, staff, and communities.

B. Report and Close Out Process

High-Risk Targeted Reviews will follow the same procedures outlined in section 9, "*Post-Monitoring Final Report"* and section 10 "*After the Monitoring,"* as used for Fiscal and Programmatic Monitoring. The POL will provide the school with a Final High-Risk Targeted Review within 30 days of the Exit Meeting. The report will include clearly itemized findings, corrective actions, and any required technical assistance, including defined with roles, responsibilities, and timelines for follow-up.

Follow-up meetings will be scheduled for the BIE Team Members every three (3) weeks until all findings are closed. Team Members will remain involved until their respective findings are resolved, and any necessary technical assistance has been delivered. Additionally, quarterly meetings with the school will be scheduled to monitor progress. Periodic updates will be shared

with Senior Leadership. Once all findings are closed, a close-out letter will be issued to the school and respective Senior Leadership.