



Uniform Guidance Updates & Fiscal Topics

South Carolina ESSA
Academy

EDGAR and UGG

EDGAR (34 CFR)

Part 75 - Direct Grant Programs
Part 76 - State-Administered Programs
Part 77 - Definitions
Part 81 - Enforcement Regulations

UGG (2 CFR Part 200)

Subpart A – Acronyms and Definitions
Subpart B – General Provisions
Subpart C – Pre-Federal Award Requirements
Subpart D – Post Federal Award Requirements
Subpart E – Cost Principles
Subpart F – Audit Requirements

Why do we Need Policies and Procedures?

Avoid
monitoring and
audit findings

Prevent fraud,
waste, and
abuse

They are
required internal
controls

Internal controls

- 2 CFR 200.303 Internal controls.
- Establish, **document**, and maintain internal controls
- Should **align** with “Green Book” or COSO Integrated Framework
- Comply with all requirements (including U.S. Constitution)
- Evaluate and monitor compliance
- Take prompt action to correct noncompliance
- Take **reasonable cybersecurity and other** measures to safeguard **information including** personally identifiable information (PII) and other types of information.
- **This also includes** info the federal agency or pass-through designates as sensitive or info the recipient/subrecipient considers sensitive and is consistent with laws regarding privacy and responsibility over confidentiality

UGG required Policies and Procedures

- 200.101(b)(1)
 - “must” vs. “should”
 - Ex. 200.302 – must have written procedures for determining allowability
- Sometimes not as direct
 - 200.430(a) “Is reasonable for the services rendered and conforms to the established written policy of the non-Federal entity consistently applied to both Federal and non-Federal activities”

Required Written Policies

Conflicts of Interest Policy – 200.318(c)

Accounting Policies – 200.306(h)(2)(i); 200.400; 200.430(i)

Compensation Policies – 200.430(a)

Fringe Benefits Policies – 200.431

Employee Health and Welfare Policies – 200.437

Travel Reimbursement Policy – 200.475(a)

Required Written Procedures

Real property sales procedures – 200.311(c)(2)

Time & Effort Procedures – ED Cost Allocation Guide

Written Allowability Procedures – 200.302(b)(7); 200.403(c)

Written Cash Management Procedures – 200.302(b)(6) and 200.305

Written Procurement Procedures – 200.318(a), 200.319(d), and 200.320

Procedures for Managing Equipment – 200.313(d)

Participant support cost classification, 2 CFR 200.456

Record conversion quality control, 2 CFR 200.336

Suggested Written Policies and Procedures

Record Retention

Audit Resolution

For the pass-through entity: Subrecipient monitoring (look to the OMB Compliance Supplement)

Program Specific Requirements

When to Review Policies and Procedures

Annually?

Staff Changes

New or
Changing
Systems

After
Monitoring or
Audit Findings

Any Other Big
Changes

Financial Management

Financial Management – 200.302(b)

(b) Seven standards:

1. Identification in accounts
2. Financial reporting
3. Accounting records (financial obligations)
4. Internal controls
 - Should align with Green book or COSO Integrated Framework
 - <https://www.gao.gov/greenbook>
5. Budget control
6. Written procedures for federal payment
7. Written procedures for determining allowability

Period of Performance

- Must timely obligate all funds during the period of performance!
- LEAs are provided the initial award period of 15 months (July 1 – Sept 30), with a one-year carryover period under the “Tydings Amendment”
 - Exceptions: program restrictions (Title I-A, 15%; Perkins, no local carryover); and competitive subgrants (21st CCLC, Adult Ed)



Obligations

- Must obligate funds during the period of performance
- Subgrantees can begin to obligate their funds:
 - **Formula grants:** when application is approved or substantially approvable 76.708
 - **Competitive grants:** when application receives final approval
- Costs incurred/obligated prior to this are pre-award costs (200.458)
 - Subgrantees can NOT draw down funds until final approval is received!

Type of Cost	Date of Obligation
Acquisition of real or personal property	On the date on which the State or subgrantee makes a binding written commitment to acquire the property
Personal services by an employee	When the services are performed
Personal services by a contractor	On the date on which the State or subgrantee makes a binding written commitment to obtain the services
Performance of work other than personal services	On the date on which the State or subgrantee makes a binding written commitment to obtain the work
Travel	When the travel is taken
Pre-agreement cost that was properly approved by the Secretary under the cost principles in 2 CFR part 200, subpart E	On the first day of the grant or subgrant period of performance

Closeout – 200.344

- Federal agency or pass-through must close out the award when it determines that all administrative actions and required work of the award have been completed
- Recipient (SEA) closeout reports: 120 days; subs: 90 days
- SEA must liquidate within 120 days of obligation date
 - Complete scope of work, finish accounting, and finalize draw-downs
 - LEA has 90 days to liquidate (or an earlier date as agreed upon by the pass-through entity and subrecipient)
- *When justified*, the Federal agency or pass-through entity may approve extensions for recipient or subrecipient

Allowability

Basic Factors of Allowability

To be allowable, a cost *must*:

- Be **necessary, reasonable** and **allocable**
- Comply with the cost principles and Federal award
- Be consistent with policies and procedures applying uniformly to Federal and non-Federal activities and costs
- Be consistently treated as either direct or indirect costs
- Be determined in accordance with GAAP
- Not be included or used to meet cost sharing / match requirements
- Be adequately **documented**
- Incurred during approved budget period (*administrative closeout)

Necessary

- A cost is “generally recognized as ordinary and necessary for the recipient’s or subrecipient’s operation or the proper and efficient performance of the Federal award”
 - Is the cost included in your plan/grant application?
 - Is it aligned with the goals of the program/grant?
 - Does your agency have the capacity to use what you are purchasing?
 - Is the staff knowledgeable regarding the program?

Reasonable

A cost is reasonable if it does not exceed an amount that a prudent person would incur under the circumstances prevailing when the decision was made to incur the cost”

- a) Whether the cost is generally recognized as ordinary and necessary for the operation or the proper and efficient performance of the Federal award
- b) Sound business practices; arm's-length bargaining; Federal, State, local, tribal, and other laws and regulations; and terms and conditions of the Federal award
- c) Market prices for comparable costs in the geographic area
- d) Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities
- e) Whether the cost represents a deviation from established written policies and procedures for incurring costs

Allocable

- Allocation means the process of assigning a cost, or a group of costs, to one or more cost objective(s), in reasonable proportion to the benefit provided or other equitable relationship
- Costs must be assignable to that Federal award in accordance with the relative benefits received
- What if it benefits two or more projects or activities?
 - If in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit
 - When those proportions cannot be determined because of the interrelationship of the work involved, then costs may be allocated or transferred to benefited projects on any reasonable documented basis

Conferences

- Generally allowable
- Allowable conference costs include rental of facilities, costs of meals and refreshments, transportation . . . unless restricted by the Federal award
- Costs related to identifying and providing locally available dependent-care resources for participants are allowable as needed
- Conference hosts must exercise discretion in ensuring costs are appropriate, necessary, and managed to minimize costs to Federal award

Travel

- Travel costs may be charged on actual cost basis, a per diem or mileage basis or a combination of the two, provided the method used is applied to an entire trip and not selected days of the trip
 - The method used must be consistent with state/local activities and established written policies
- Travel charges must be consistent with entity's established **written** policies
 - Must also document and justify that participation of an individual is necessary for the federal award and costs are reasonable and consistent with written policies

Dependent Care

- Allows costs for “above and beyond regular dependent care” if:
 - Costs are directly related to federal award travel
 - Consistent with established written policy for all travel and
 - Costs are temporary during travel period
- However, consider strong internal controls
 - Require documentation showing an actual dependent
 - Carefully review any dependent care charges

Food

- [Guidance](#)
- “Generally, a grantee needs to substantiate with specificity the rationale for why paying for food and beverages. . . is necessary to meet the goals and objectives of a grant. When a grantee is hosting an event. . . the grantee should first consider structuring the agenda for the meeting so that there is time for participants to bring or purchase their own food, beverages, and snacks. . .
- Because food and beverage costs are not of a type generally recognized as ordinary and necessary for the operation of the grantee or the proper and efficient performance of the Federal award. . . grantees must document their evidence and analysis that justify that the use of food or beverage is reasonable and necessary in each instance.”

Allowable and Unallowable Examples

- Allowable food examples:
 - Food costs for a working lunch at a day-long meeting
 - Food costs at a family engagement event
 - Costs of light snacks at a day-long meeting
- Unallowable food examples:
 - Costs for food at networking meetings
 - Food costs for remote meetings
 - Food costs for regular staff meetings

Time and Effort

Time and Effort

- In order to be allowable, must document personnel expenses
 - Employees paid with federal funds, in whole or in part, must maintain documentation of time worked
 - Includes: Full-time and part-time employees, Federal stipends that are considered salary expenses, Substitute teachers (if employees), etc.
 - Includes: Any employee whose salary is used to meet a match/cost share requirement (includes state, local, private funds)
 - Does not apply to contractors
- Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed

Documentation Standards

- Be supported by a system of internal controls to ensure charges are accurate, allowable and allocable
- Be incorporated into official records
- Reasonably reflect total activity for which employee is compensated
- Encompass all activities (federal and non-federal)
- Comply with established accounting policies and practices
- Support distribution among specific activities or cost objectives

Cost Objectives

- A program, function, activity, award, organizational subdivision, contract, or work unit for which cost data are desired (200.1)
- Anything that requires separate cost accounting (ex. spending caps, mandatory minimums, etc.)

Cost Objectives	NOT Cost Objectives
•Title I, Public School Admin •Title I Parent and Family Engagement •Title I Equitable Services (has additional sub cost objectives •Schoolwide School •Perkins Admin •IDEA Equitable Services, etc.	•Title I •Title II, A •IDEA •Perkins •Program Director •Federal Programs

Reconciliation

- All necessary adjustments must be made such that the final amount charged to the Federal award is accurate, allowable, and properly allocated.
 - Budget estimates alone do not qualify as support for charges to Federal awards, but may be used for interim accounting purposes if:
 - Produces reasonable approximations
 - Significant changes to the related work activity are identified in a timely manner
 - Internal controls in place to **perform periodic after-the-fact reviews of interim charges based on budget estimates**
 - Final charges must be accurate
- Reconciliation may occur at end of the fiscal year or during intervals throughout the year

Procurement

General Procurement Standards

- Written procurement procedures
- Must maintain contractor oversight to ensure contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders
- Full and open competition
- Avoid acquisition of unnecessary or duplicative items
- Maintain records of each procurement transaction
- Ensure contracts include all required clauses (Appendix II)
- Resolve contractual and administrative disputes arising from transactions

Suspension and Debarment

- You can not award contracts or subawards to debarred, suspended, or entities that are otherwise excluded from receiving federal awards
- You must verify that the person with whom you intend to do business is not excluded or disqualified as follows:
 - For all contracts over \$25,000 (2 CFR 180.220 “covered transactions”)
 - All telecommunications and video surveillance services or equipment purchases (200.216; 200.471) and
 - All potential subrecipients (200.332(a))
- This MUST be done by documenting one of the following:
 - Checking SAM.gov
 - Collecting a certification from that person
 - Adding a clause or condition to the covered transaction with that person

Suspension & Debarment: Finding

Criteria

Non-federal entities are prohibited from contracting with or making sub awards under covered transactions to parties that are suspended or debarred. “Covered transactions” include those procurement contracts for goods and services awarded under a non-procurement transaction that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR §180.220. Additionally, the District should adhere to procurement methods outlined in 2 CFR §200.320.

Condition

Verification of suspension and debarment was not performed for one vendor the District utilized and spent at least \$25,000 of federal grant monies. Additionally, the District did not follow federal guidelines for purchases exceeding the small purchases threshold.

Suspension & Debarment: Finding

Cause

Due to turnover in the procurement department, the District did not perform due diligence for the cooperative contracts used to make the purchases; therefore, documentation was not prepared or maintained for verification of suspension and debarment.

Effect

The District was not in compliance with federal regulations and guidelines related to suspension and debarment or procurement. However, it was subsequently determined that the vendor utilized was not suspended or debarred.

Context

For one of three purchases with vendors above \$25,000 sampled, the District did not maintain documentation that verification a vendor was non suspended or debarred. In addition, for three purchases that exceeded the Federal micro-purchase threshold, the written quotes obtained did not allow sufficient time before the purchase was to be made to allow vendors to effectively respond. The District only allowed 24 hours for several of the requests for quotes. Therefore, the District's method of procurement was not in accordance with federal guidelines. The sample was not intended to be, and was not, a statistically valid sample.

Suspension & Debarment: Finding

Recommendation

The District should follow purchasing policies and procedures established to ensure compliance with federal procurement requirements.

Planned Corrective Action: Senior Buyer will verify vendors are not debarred or suspended prior to adding them to ERP Pro. Additionally, Procurement Supervisor will hold training sessions for purchasers to teach them purchasing guidelines and rules, including allowing sufficient time to receive quotes.

Procurement Methods

- Informal procurement methods – These procurement methods expedite the completion of transactions, minimize administrative burdens, and reduce costs
 - Micro-purchases
 - Simplified acquisition procedures
- Formal procurement methods – Required when the value of the procurement transaction under a federal award, exceeds the simplified acquisition threshold of the recipient or subrecipient
 - Sealed bids/Competitive proposals
- Noncompetitive procurements

Conflicts of Interest

- Maintain written standards of conduct covering conflicts of interest actions of employees engaged in the selection, award, and administration of contracts
- A conflict of interest arises when any of the following has a financial or other interest in the firm selected for award:
 - Employee, officer, agent, or board member
 - Any member of their immediate family
 - Their partner
 - An organization which employs, or is about to employ, any of the parties indicated herein or has a financial or other interest in or tangible personal benefit from an entity considered for a contract
- Organizational conflicts of interest must be addressed (as applicable)

Who conflict rules apply to – 200.318(c)

1. Applies to the following persons:
 - Employee
 - Officer
 - Agent
 - Board Member
2. Who are currently serving in said capacity by the recipient
3. And who are involved in the selection, award, or administration of a contract supported by the federal award.

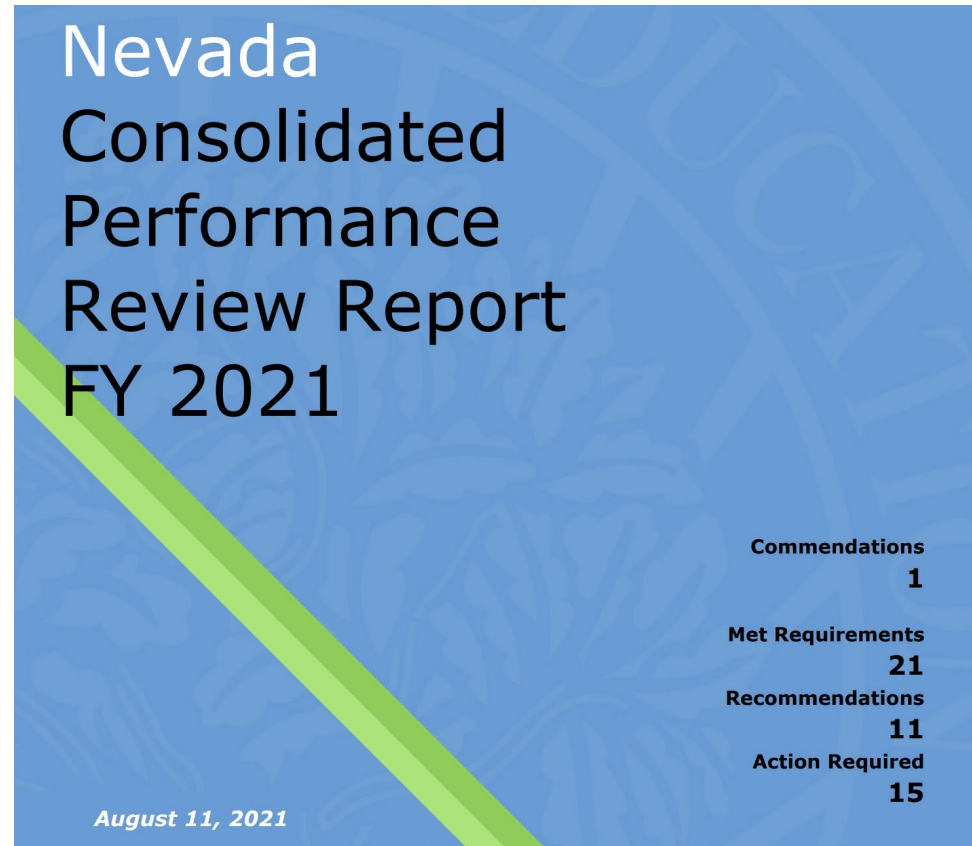
What makes a conflict – 200.318(c)(1)

1. A "tangible" benefit is received
 - \$\$\$ - obviously
 - Other kinds of benefits: tickets to a game, "in-kind" services, etc.
2. From an actual or potential contractor.
3. By any of the following people:
 - The covered person (employee)
 - Or that covered person's:
 - Immediate family
 - Partner
 - Or organization who is employing **or is about to employ** any of the above

What do you have to do? – 200.318(c)

1. Written standards of conduct for covered employees
2. Must cover what happens if violations occur
3. Only if specifically covered in the written standards, you may:
 - Permit "not substantial" financial interests
 - Permit gifts that are
 - Unsolicited
 - Nominal in value

Conflict of Interest: Finding



Conflict of Interest: Finding

- Nevada Department of Education:

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.

Conflict of Interest: Finding

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.

Conflict of Interest: Finding

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 \(July 2014\)](#)).

Conflict of Interest: Finding

Corrective Action:

- (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.

Property

Property Classifications

Equipment: tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$10,000 or more per unit

Supply: All tangible personal property other than equipment

Computing Devices: If less than \$10,000 per unit, defined as supplies

Inventory

- Property records
 - Include required information and update as necessary
 - Where items are received and who makes sure it is in working order
 - Who logs it in the property management system
- Physical inventory at least every two years (or more often, if required by State or your own policies)
- If authorized or required to sell property, proper sales procedures must be carried out to ensure highest possible return

Control System

- Control system to prevent property loss, damage, theft
 - All incidents must be investigated and reported to the Federal agency or pass-through entity
 - How are you safeguarding property
 - What are the procedures when something goes missing
 - Who updates the inventory system
- Regular maintenance procedures in place
 - Who do they contact if something is broken
 - Are there any restrictions on certain items being taken home, etc.

Use of Equipment

- Equipment must be used in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal award
- Equipment must be available for shared use, provided such use will not interfere with the purpose for which it was originally acquired, and it follows this order of preference:
 - First by other programs from same agency
 - Then open to other Federal programs
 - And then to Non-Federal programs, provided such use will not interfere with the purpose for which it was originally acquired

Disposition of Equipment

- When property is no longer needed in any current or previously Federally-funded activity, must request disposition instructions from the Federal agency or pass-through entity
- Fair market value more than \$10,000 (per unit) = pay Federal share back to federal agency or pass-through entity
 - May retain \$1,000 to cover expenses associated with the selling and handling of the equipment
 - Fair market value of \$10,000 or less (per unit) = no money owed back to feds
- *Equipment retention*: When included in the terms and conditions of the Federal award, the Federal agency may permit the recipient to retain equipment with no further obligation to the Federal Government unless prohibited by Federal statute or regulation
- May use sale price of old equipment towards purchase price of replacement equipment
 - Calculate new federal share using % of federal funds initially used to purchase equipment

Disposition of Supplies

- If there is a residual inventory of unused supplies at the end of the period of performance exceeding \$10,000 in total aggregate value, and the supplies are not needed for any other Federal award, the State or LEA may retain or sell the supplies
 - Unused supplies means supplies that are in new condition, not having been used or opened before. The aggregate value of unused supplies consists of all supply types, not just like-item supplies
- Fair market value more than \$10,000 (aggregate) = pay Federal share back to federal agency or pass-through entity
 - May retain \$1,000 to cover expenses associated with the selling/handling of the supplies

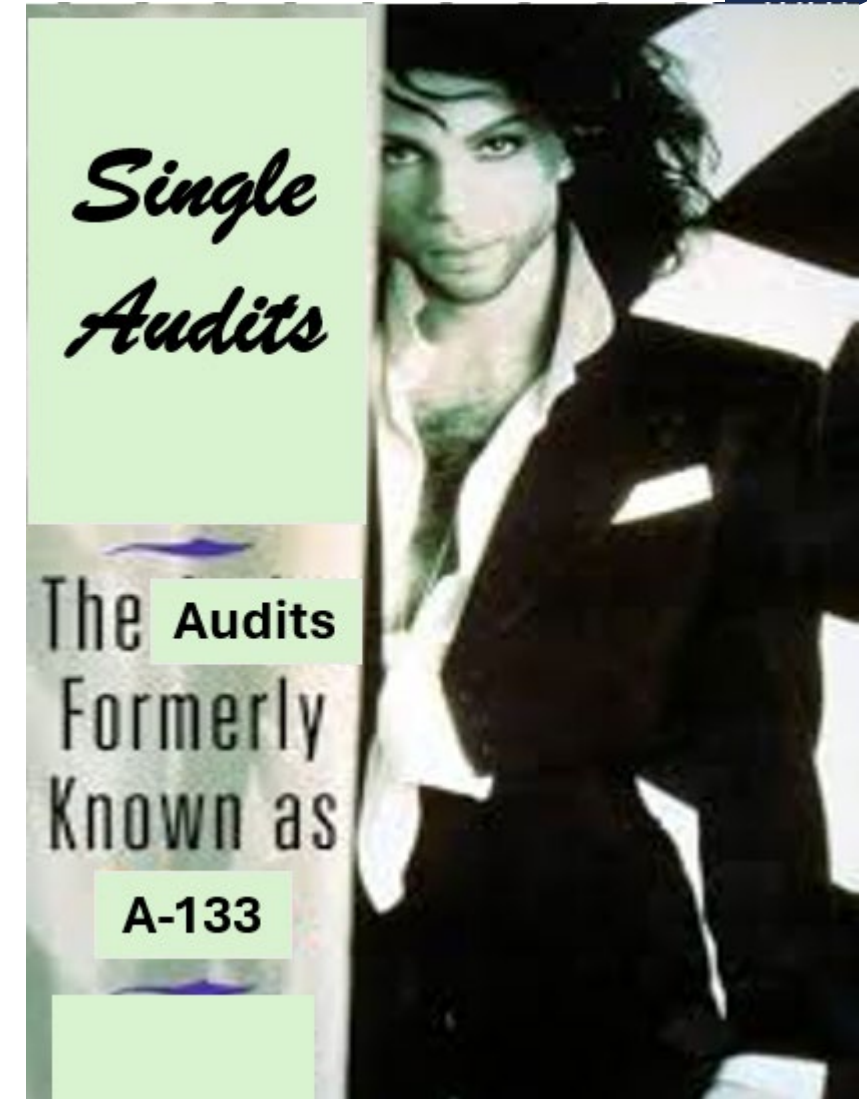
Record Keeping

Access to Records

- The Federal agency, or pass-through entity, Inspectors General, the Comptroller General of the United States, or any of their authorized representatives, must have the right of access to any records of the subrecipient or recipient pertinent to the Federal award to perform audits, execute site visits, or for any other official use
 - Includes timely and reasonable access to the recipient's and subrecipient's personnel for the purpose of interview and discussion related to such documents or the Federal award in general
- Must keep records for 3 years, but...for statute of limitation purposes you should keep for 5 years

Audit Requirements & the Compliance Supplement

- › Single audits under the Uniform Guidance replaced OMB Circular A-133
- › Entities that expend at least \$1M in Federal funds must have an annual single audit performed
 - Traditionally performed by CPAs/state auditors
 - Must adhere to GAGAS & [GAO Yellow Book](#)





2 CFR PART 200, APPENDIX XI

COMPLIANCE SUPPLEMENT

What is the Compliance Supplement?



November 2025
EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET

What is the Compliance Supplement?

- Single Audit Act & 2 CFR part 200 Subpart F
- Published annually by OMB
 - Edited by Federal agencies
 - Input provided by auditing organizations
 - AICPA & NASACT
- “Instruction Manual” for auditors
- Located on [Whitehouse.gov webpages](#):
 - And on the [Federal Audit Clearinghouse](#)

Navigating the Compliance Supplement

ESEA Programs

84.010	Title I Grants to Local Educational Agencies (LEAs)	Title I, Part A
84.011	Migrant Education—State Grant Program (Title, I, Part C)	MEP
84.282	Charter Schools	CSP
84.287	Twenty-First Century Community Learning Centers	21st CCLC
84.365	English Language Acquisition Grants	Title III, Part A
84.367	Supporting Effective Instruction State Grant	Title II, Part A
84.424	Student Support and Academic Enrichment Grants	Title IV, Part A

Non-ESEA Programs

84.002	Adult Education—State Grant Program	Adult Education
84.027	Special Education—Grants to States (IDEA, Part B)	IDEA
84.173	Special Education—Preschool Grants (IDEA Preschool)	
84.042	TRIO—Student Support Services	TRIO Cluster
84.044	TRIO—Talent Search	
84.047	TRIO—Upward Bound	
84.066	TRIO—Educational Opportunity Centers	
84.217	TRIO—McNair Post-Baccalaureate Achievement	
84.048	Career and Technical Education – Basic Grants to States (Perkins V)	CTE
84.126	Rehabilitation Services – Vocational Rehabilitation	

Compliance Matrix

“pick 6” compliance requirements

A	B	C	E	F	G	H	I	J	L	M	N
Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment and Real Property Management	Matching, Level of Effort, Earmarking	Period Of Performance	Procurement and Suspension and Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Y	Y	Y	Y	N	Y	Y	N	N	N	Y	N

Matrix of Compliance Requirements

Requirement	A	B	C	E	F	G	H	I	J	L	M	N
	Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment Real Property Management	Matching, Level of Effort, Earmarking	Period of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Program Number												
84.000 (No matrix)												
84.002	Y	Y	Y	Y	N	Y	Y	N	N	N	Y	N
84.010	Y	Y	N	Y	N	Y	N	N	N	N	Y	Y
84.011	Y	Y	N	N	N	Y	Y	N	N	N	Y	Y
84.027/84.173 (Special Education Cluster (IDEA))	Y	Y	N	N	Y	Y	Y	Y	N	N	Y	N
84.032-G	N	N	N	N	N	N	N	N	N	Y	N	Y
84.032-L	N	N	N	N	N	Y	N	Y	N	Y	N	Y
84.041	Y	Y	N	N	N	Y	N	N	N	Y	N	Y
84.042/84.044/84.047 /84.066/84.217 (TRIO Cluster)	Y	Y	Y	Y	N	N	N	N	N	Y	N	Y
84.048	Y	Y	Y	Y	N	Y	Y	N	N	N	Y	N
84.126	N	N	N	N	N	N	Y	Y	N	Y	N	N
84.181	Y	Y	Y	N	Y	Y	Y	Y	N	N	N	N
84.282	Y	Y	Y	Y	Y	N	N	Y	N	N	Y	N
84.287	Y	Y	Y	N	N	N	N	N	Y	N	Y	Y
84.365	Y	Y	N	N	N	Y	Y	N	N	N	Y	Y
84.367	Y	Y	N	Y	N	Y	N	N	N	N	Y	Y
84.424	Y	Y	Y	Y	N	Y	Y	N	N	N	N	Y
84.425 Section 1 ESF	Y	Y	N	N	Y	Y	N	N	N	Y	Y	Y
84.425 Section 2 HEERF	Y	Y	Y	N	N	Y	Y	Y	N	Y	N	N

2025 Supplement Release

- Updated Compliance Supplement typically is released in spring (early summer at the latest)
- '25 version released...11/25!
 - Matches earlier draft released in August
 - Auditors had been told not to rely on the August draft, released for planning purposes only
- Delay does not extend audit filing deadlines

Delayed Supplement Released

- 2 CFR 200.512(a)(1): *The audit, the data collection form, and the reporting package must be submitted within 30 calendar days after the auditee receives the auditor's report(s) or nine months after the end of the audit period (whichever is earlier).*
- OMB can provide for extensions...
 - Pandemic extensions
- Consequences of late audit submission...?

Consequences of Late Audit Submission



ISSUE

The State of Oklahoma's Fiscal Year (FY) 2021 and 2022 audit reports were not submitted to the Federal Audit Clearinghouse within nine months after the end of the audit period as required by 2 C.F.R. § 200.512(a)(1). For FY 2021, the Office of Management and Budget granted a six-month extension for all Single Audits with Fiscal Year-end dates on or before June 30, 2021 (see [OMB M-21-20](#), issued on March 19, 2021).

Oklahoma's FY 2021 audit, due on September 30, 2022, under the six-month extension, was submitted to the Federal Audit Clearinghouse (FAC) on August 25, 2023.

Oklahoma's FY 2022 audit, due on March 30, 2023, was dated and released to the public on April 23, 2024. As of the date of this report it has not been accepted by the FAC.

During the Department's review, OSDE stated that its State Auditor is responsible for conducting the SEA's Single Audit.

Although the State Auditor has been given the responsibility of performing and submitting the State of Oklahoma's annual Single Audit, it nevertheless is the responsibility of OSDE, as a recipient of Federal grants, to have its annual audit reports performed in a timely manner and in accordance with 2 C.F.R. Part 200, Subpart F.

REQUIRED ACTION

Within 60 business days of receiving this report, OSDE must provide a corrective action plan to increase its coordination with the Oklahoma State Auditor in forming achievable internal deadlines to have the Single Audit completed on time.

Updates for the '25 Supplement

- Education Stabilization Funds no longer “Higher Risk”
 - (includes ESSER, GEER, EANS, & HEERF)
- Higher risk = more scrutiny from auditors
- No ED programs are now considered higher risk under the compliance supplement

Parent and Family Engagement



United States Government Accountability Office

Report to Congressional Requesters



November 2023

K-12 EDUCATION

Updated Federal Guidance Would Assist Title I Schools in Meeting Parent and Family Engagement Requirements

GAO Recommendations

- ED had been monitoring states for Parent/Family engagement
- GAO found that out-of-date guidance led to confusion on behalf of states that may have resulted in ED's monitoring findings
- GAO required ED to update its guidance
 - ED updated its guidance and has continued to monitor this topic area in accordance with the GAO report

Parent and Family Engagement

State	Program(s)	Year	Category	Description
Arizona	Title I, Part A	2026	Performance Review	Arizona Parent and Family engagement Monitoring Results Letter (January 14, 2026)
Georgia	Title I, Part A	2026	Performance Review	Georgia Parent and Family Engagement Monitoring Results Letter (January 14, 2026)
Hawaii	Title I, Part A	2026	Performance Review	Hawaii Parent and Family Engagement Monitoring Results Letter (January 14, 2026)
Kansas	Title I, Part A	2026	Performance Review	Kansas Parent and Family Engagement Monitoring Results Letter (January 14, 2026)
Pennsylvania	Title I, Part A	2026	Performance Review	Pennsylvania Parent and Family Engagement Monitoring Results Letter (January 14, 2026)

Parental and Family Engagement Overview

- Annual meeting
- Involvement in planning, review and improvement of Title I programs
- Provide parents of timely information about Title I programs
- Coordinate with other programs, parent resource centers

Arizona Findings:

Required Actions

Within 60 business days, ADE must submit evidence that it has updated its guidance, policies, and procedures to ensure that:

1. LEAs prioritize high-need schools when distributing funds from the parent and family engagement reservation under ESEA section 1116(a)(3) (e.g., consolidated local application review procedures, subrecipient monitoring procedures). This could include collecting an explanation of the method used by an LEA to prioritize high-need schools and updating State guidance with example methods (e.g., highest percentage of students in poverty, low academic achievement, identification for support and improvement).

Arizona Findings (cont):

2. LEAs jointly develop with parents and family members of participating children and implement parent and family engagement policies consistent with all requirements under ESEA sections 1116(a)(2)(A)-(F) and 1116(f), including the requirements listed below that are not included in ADE's existing process (e.g., subrecipient monitoring guidance, reviewer checklist):
 - a. The distribution of completed policies to parents and families, in a language and form that parents of Title I students can understand, including for parents who are economically disadvantaged, are disabled, have limited English proficiency, have limited literacy, or are migratory (ESEA section 1116(a)(2) and (f)).
 - b. Ensure LEAs receiving Title I funds conduct, with meaningful involvement of parents and families, an annual evaluation of the content and effectiveness of the LEA parent and family engagement policy (ESEA section 1116(a)(2)(D)).
 - c. Use the findings of the annual evaluation to design evidence-based strategies and revise the LEA parent and family engagement policy, as necessary (ESEA section 1116(a)(2)(E)).

Arizona Findings (cont):

3. All Title I schools jointly develop with parents and family members school-level parent and family engagement policies that meet all requirements of ESEA sections 1116(b) and (c) (e.g., subrecipient monitoring guidance, reviewer checklist).
4. All Title I schools jointly develop, with the parents of children served under Title I, a school-parent compact that includes all requirements under ESEA section 1116(d) (e.g., subrecipient monitoring procedures, school-parent compact template, reviewer checklist).
5. LEAs meet all parents' right-to-know requirements under ESEA section 1112(e), including notification that a parent may request information regarding the professional qualifications of the student's classroom teacher and testing transparency.

Kansas Findings:

Required Actions

Within 60 business days, KSDE must submit:

1. Updated processes (e.g., guidance to LEAs, internal instructions for reviewers of consolidated local plans, updated monitoring procedures) to ensure that each LEA gives priority to high-need schools when manually distributing parent and family engagement reservation funds to schools.
2. Evidence (e.g., updated guidance, monitoring protocol) that it ensures LEAs serving Title I schools develop and implement parent and family engagement policies consistent with ESEA section 1116(a)(2), including the distribution of completed policies to parents and families.

Kansas Findings (cont):

3. Updated monitoring procedures to ensure that each LEA serving Title I schools:
 - a. Carries out activities and strategies consistent with the LEA's parent and family engagement policy and allowable uses of funds, including at least one of the uses specified in ESEA section 1116(a)(3)(D).
 - b. Ensures that Title I school-level parent and family engagement uses of funds are allowable and aligned with school-level parent and family engagement policies.
 - c. Submits any parent comments to KSDE regarding an unsatisfactory local plan as required under ESEA section 1116(b)(4).
 - d. Meets the accessibility requirements under ESEA section 1116(f), including how KSDE ensures that LEAs receiving Title I funding reduce barriers and provide opportunities for the participation of parents and family members with disabilities and parents and family members of migratory children in parent and family engagement activities.
 - e. Monitors to ensure Title I school-level parent and family engagement policies meet the requirements of ESEA section 1116(c)(2)-(5).

Kansas Findings (cont):

4. Evidence (e.g., guidance for support and improvement plans, internal review process, or monitoring protocol) that it ensures schools and LEAs involve parents in the development of support and improvement plans.
5. Evidence (e.g., guidance, updated program director handbook, monitoring protocol) that ensures LEAs provide timely information to parents that they may request, information regarding the LEA policy, procedure, or parental right to opt the child out of assessments mandated by ESEA section 1111(b)(2), where applicable.

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