

TEA Compliance Play by Play

Department of Grant Compliance and Administration

Department of Grant Compliance and Administration

1. This presentation is intended solely to provide general information and guidance to Texas LEAs, ESCs, non-profit subgrantees, and participating Private Schools receiving equitable services. The content in this presentation reflects the Texas Education Agency's current understanding of statute and applicable federal guidance.
2. The content of this presentation is subject to change as a result of future guidance and or other updates provided by federal agencies with regulatory oversight of these programs.
3. This presentation does not constitute legal advice, and entities are, therefore, advised to seek legal counsel regarding the information and guidance provided in this presentation before acting upon the information provided.

Presentation Acronyms

FCO: Federal Compliance Officer

FFCR: Federal Fiscal Compliance and Reporting

FFM: Federal Fiscal Monitoring

FPC: Federal Program Compliance

GA: Grant Administration

GCA: Department of Grant Compliance and Administration

LEAs: School districts and open-enrollment charter schools

NCR: Non-Compliance Resolution

SMD: Special Monitoring Division

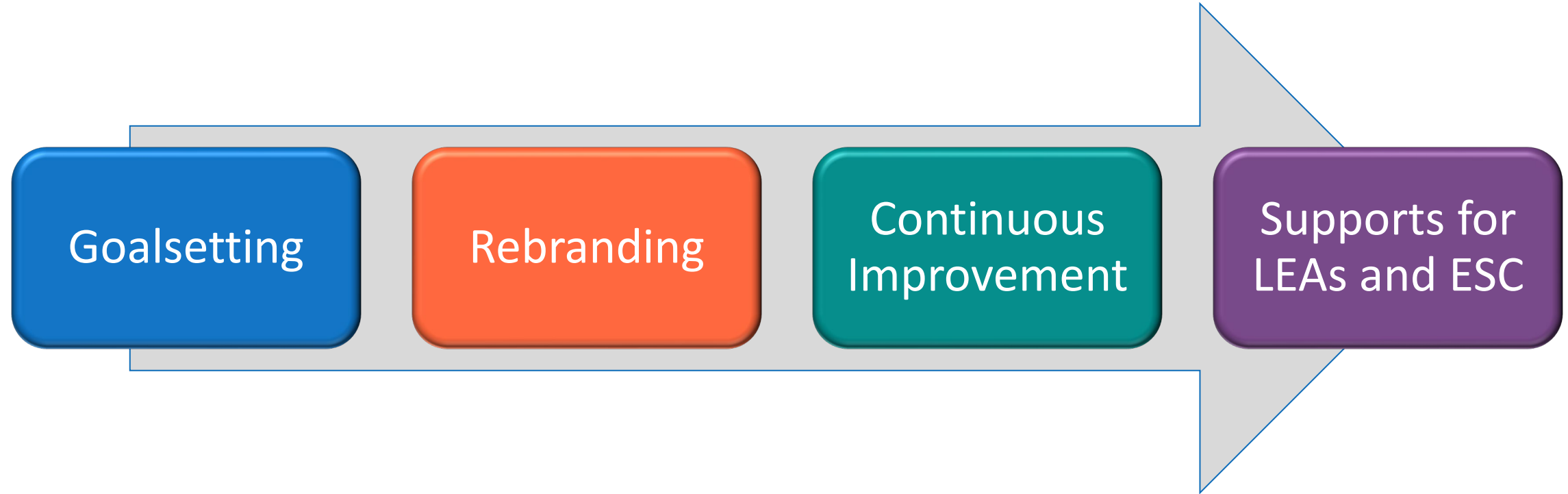
Agenda

- Enforcement Action Redesign
- Federal Compliance Officer Role and Responsibilities
- Non-Compliance Resolution Process and Resources



Enforcement Action Redesign

GCA Enforcement Action Redesign Process



GCA Enforcement Action Redesign



Goal: Provide a more proactive, transparent, and supportive TEA compliance process.



Rebranding: Enforcement Action will now be the Non-Compliance Resolution (NCR) Process.



Continuous Improvement: Provide opportunities for LEAs and ESCs to provide input and feedback to GCA staff at conferences, ESC, and TEA trainings.



Support: Provide federal compliance technical assistance, training, and streamlined points of contact to LEAs and ESCs. Enforcement email box has changed from Enforcement@tea.texas.gov to NonCompResolution@tea.texas.gov.

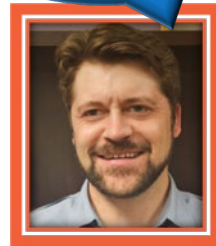
Change on the Federal Compliance Horizon

Our GCA team has been holistically reviewing and revising our non-compliance resolution policies and procedures to provide LEAs and ESCs with a more proactive, transparent, and supportive:

Processes



Training



Resources

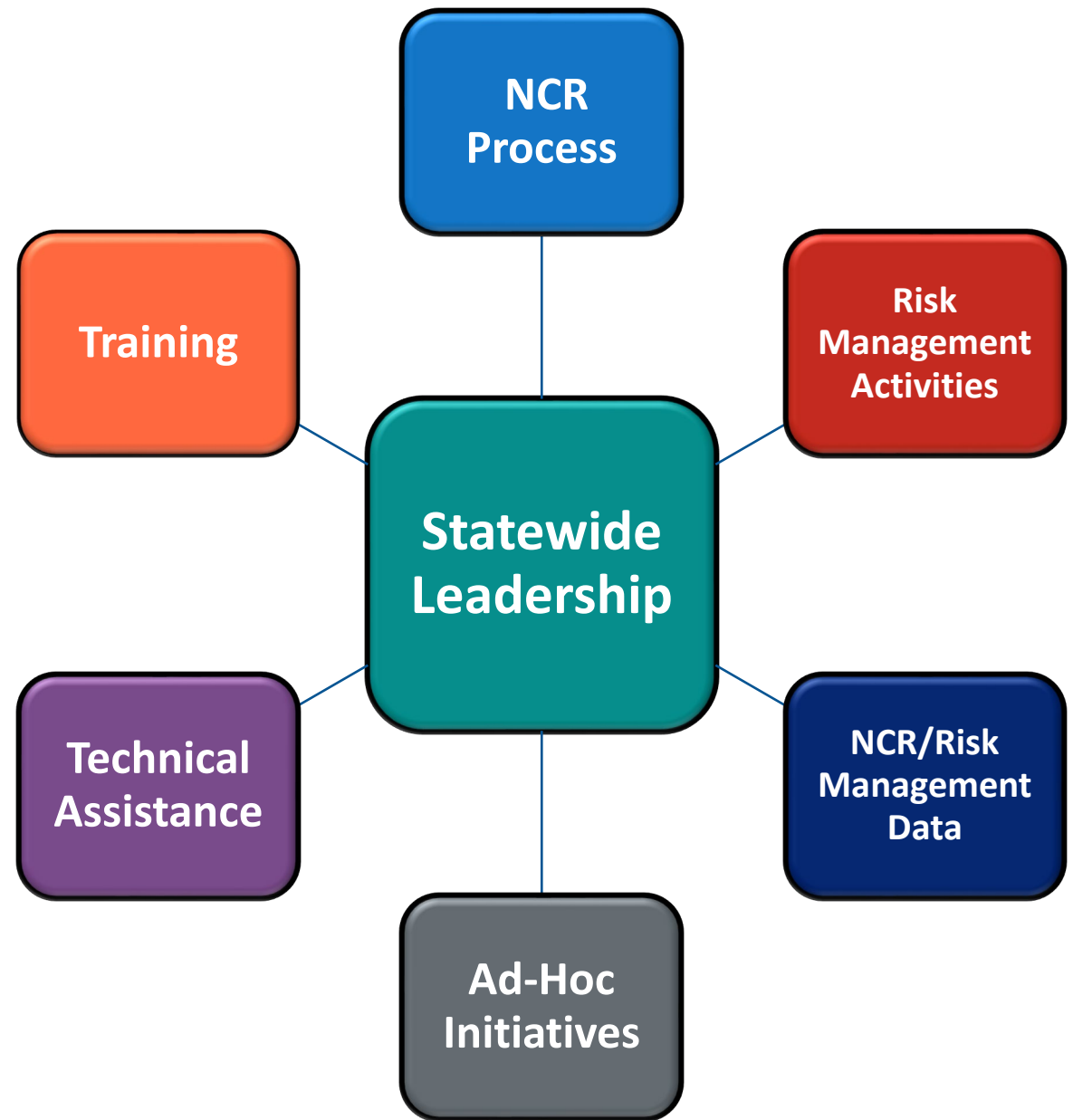


Technical Assistance



Federal Compliance Officer

Federal Compliance Officer Role and Responsibilities to Support LEA Compliance



Federal Compliance Officer Role and Responsibilities

Manage Non-Compliance Resolution Activities

Federal Fiscal Grant Compliance

- Single-Audit Finding
- IDEA-B LEA MOE (FFCR)
- Federal Fiscal Monitoring (FFM)
- Special Monitoring Division (SMD)
- Ad Hoc Monitoring

Federal Program Grant Compliance

- Post Award Compliance (PAC)
- Federal Program Compliance (FPC)
- Ad Hoc Monitoring

Federal Compliance Officer Role and Responsibilities

Manage Non-Compliance Resolution Activities

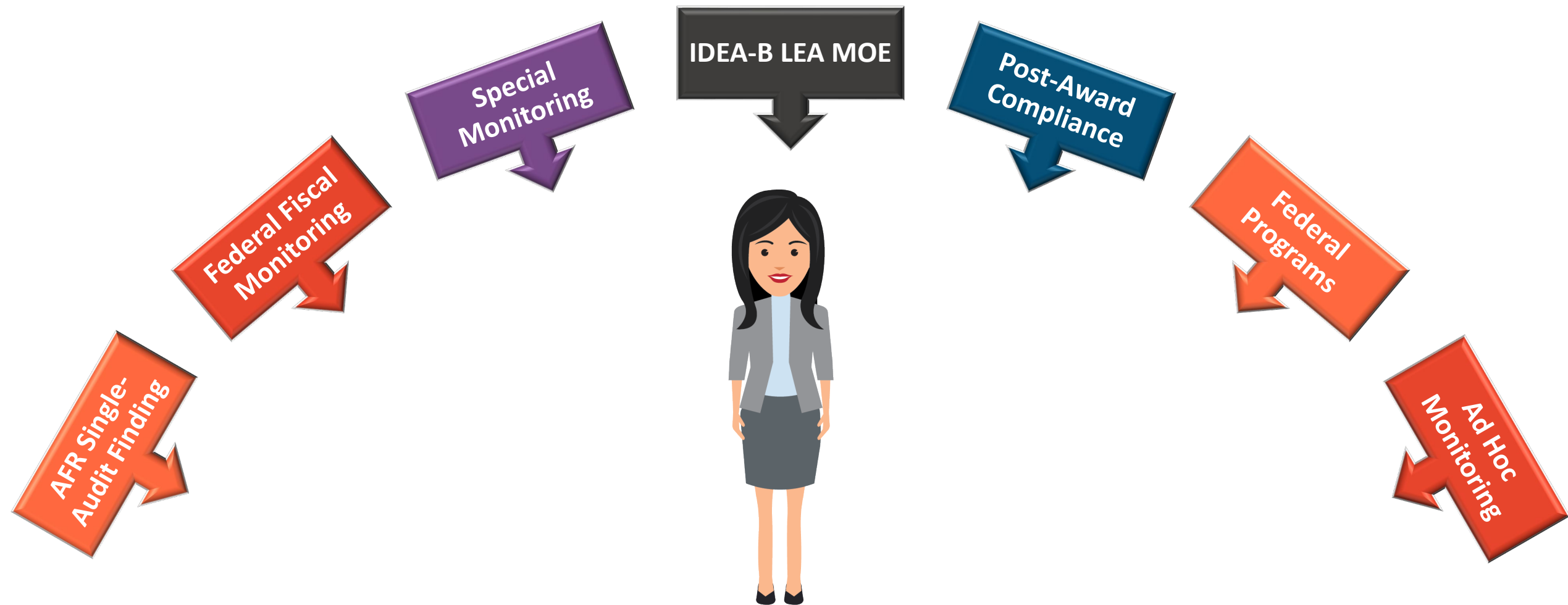
Special Monitoring Division Currently Monitoring

- ESSER I
- CRSSA ESSER II
- ARP ESSER III
- Immediate Aid to Restart School Operations (Restart)
- TCLAS
- COVID Health Support Grant I

Special Monitoring Division Future Monitoring

- ARP Homeless
- ARP IDEA
- EANS

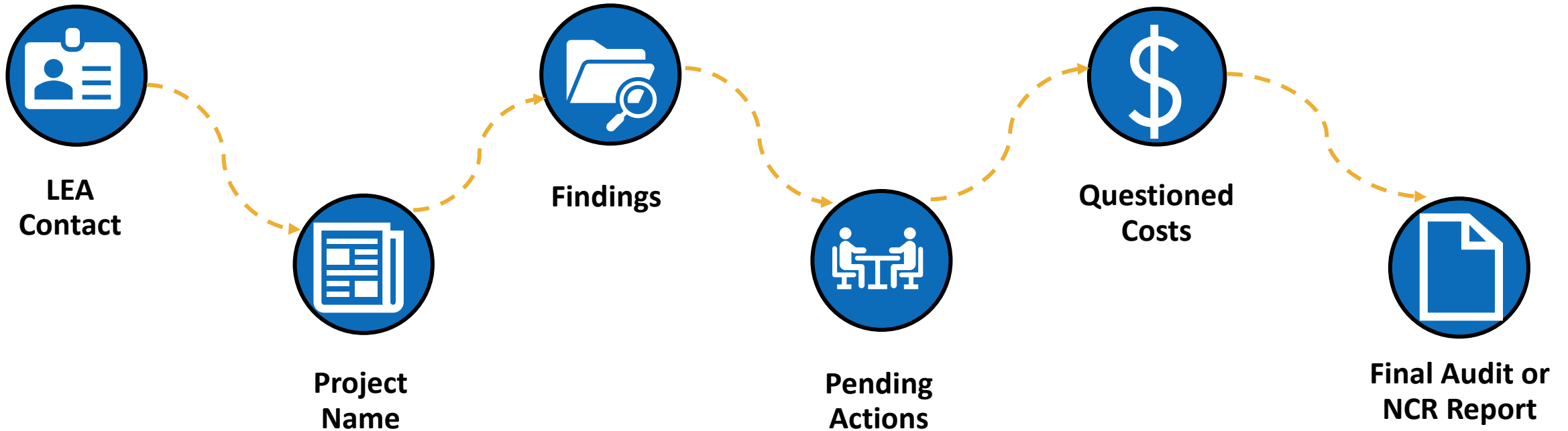
Non-Compliance Resolution Process



Non-Compliance Resolution Referral to the Federal Compliance Officer

Non-Compliance Resolution Referral

GCA department office or divisional staff will provide the Federal Compliance Officer the following NCR referral documentation:



Non-Compliance Resolution Monitoring System

Each LEA referral is assigned a non-compliance reference number in the FCO smartsheet.



The Federal Compliance Officer monitors each LEAs non-compliance:

- Required documentation submission
- Refund submission
- Overdue status
- Hearing request
- NCR technical assistance

The Federal Compliance Officer can track the number of NCR referrals by:

- LEA
- ESC
- Fiscal year

Non-Compliance Resolution (NCR) Email and Letter

LEAs will receive a:

- NCR email from the Federal Compliance Officer.
- NCR letter signed by Cory Green.
- Final project audit or non-compliance report.



October 9, 2023

Superintendent Name
Superintendent
LEA Independent School District
Address
City, TX Zip Code

Transmitted by Electronic Mail
Immediate Action Required

Subject: IDEA-B LEA MOE Non-Compliance Resolution (NCR-IDEA-FY23-00)

Dear (Insert Superintendent Name):

The purpose of this letter is to notify you of federal grant requirements imposed on your LEA by federal statute and Education Department General Administrative Regulations (EDGAR) requiring action by the Texas Education Agency (TEA). If you have any questions or concerns regarding the contents, phrasing, or terminology in this letter please reach contact the Federal Compliance Officer at the non-compliance resolution inbox (NonCompResolution@tea.texas.gov).

As a result of these requirements, the Department of Grant Compliance and Administration (GCA) at TEA is issuing a non-compliance resolution action on your organization. This non-compliance resolution action requires your organization to return funds to TEA.

IDEA-B LEA Maintenance of Effort (MOE) Non-Compliance Resolution Action

These non-compliance resolution findings were identified by TEA as part of our fiscal compliance determination process. These findings are related to the federally required compliance review conducted by TEA's Federal Fiscal Compliance and Reporting (FFCR) Division annually. Our review indicates that your LEA is not in compliance with the federal maintenance of effort (MOE) requirement for the 2021–2022 fiscal year. Pursuant to [34 CFR §300.203](#), LEAs who receive federal grants awarded under the Individuals with Disabilities Education Act, Part B (IDEA-B) are required to spend at least the same amount of local and/or state funds to provide services for students with disabilities spent in the previous fiscal year.

The attached report provides the IDEA-B LEA MOE findings for ABC ISD identified by TEA's FFCR Division, which includes questioned costs and illustrates the degree that your organization failed to comply with laws, regulations, and grant requirements and to maintain proper internal controls over its federal programs. Therefore, pursuant to [2 CFR §§200.339\(b\)](#), [200.410](#), and [200.345\(a\)\(1\)](#), TEA is now requiring the following non-compliance resolution actions from your LEA, and as applicable, disallowing the questioned costs described in the following table:



Non-Compliance Resolution Letter

The NCR letter will provide:

- ☒ Project or grant name
- ☒ Project or grant name
- ☒ Grant year
- ☒ Disallowed costs
- ☒ Findings
- ☒ Required NCR Actions

Grant Name	NOGA ID	Grant Year	Disallowed Costs
IDEA-B Formula	000000000000000000	00/00/2021-00/00/2022	\$50,000.00

Findings	Required Non-Compliance Resolution Action
<p>ABC ISD was unable to demonstrate IDEA-B LEA MOE compliance within one of the four test methods as outlined in 34 CFR §300.203.</p> <ol style="list-style-type: none">The total amount the LEA expended in local funds must equal or exceed the amount it expended from that source for special education during the preceding fiscal year.The total amount the LEA expended in state and local funds must equal or exceed the amount it expended from those sources for special education during the preceding fiscal year.The per-capita amount the LEA expended in local funds must equal or exceed the amount it expended per-capita from that source for special education during the preceding fiscal year.The per-capita amount the LEA expended in state and local funds must equal or exceed the amount it expended per-capita from those sources for special education during the preceding fiscal year. <p>Pursuant 34 CFR §300.203(c), preceding fiscal year is defined as the last fiscal year in which the LEA met MOE for that test method.</p>	<p>ABC ISD is required to submit the documentation and refund listed below.</p> <ol style="list-style-type: none">Submit a refund of the disallowed costs for \$50,000.00, andSubmit the following documentation of the preventative policies, procedures, or strategies to prevent the recurrence of this finding.<ol style="list-style-type: none">Provide documentation of communication or training provided to the appropriate staff of any new or revised policies and procedures that address the non-compliance resolution findings (e.g., dates of staff communication or training, staff role/department who received these communications or training, location of training(s), staff who provided the communications or training, copies of the staff communication or training sign-in sheets, etc.).Provide the staff member(s) responsible for the communication, training, and implementation of the preventive policies, procedures, or strategies to prevent the recurrence of the findings and any other notes or comments.If you have additional documentation that not has previously been submitted by the established deadline to demonstrate compliance of one of the four test methods as outlined in 34 CFR §300.203, you may submit this documentation within ten days to the Federal Compliance Officer.

Non-Compliance Resolution Letter



- ☒ Project or grant name
- ☒ Project identification number
- ☒ Grant year
- ☒ Disallowed costs
- ☒ Findings
- ☒ Required NCR Actions

Grant Name	Project ID	Grant Year	Disallowed Costs
NCR Grant	000000000000000000	09/01/22-08/31/2023	\$50,000.00

Findings	Required Non-Compliance Resolution Action
<u>Finding 1:</u> Finding as indicated in the final audit or non-compliance report.	1) Submit a refund of the disallowed costs for \$50,000.00
<u>Finding 2:</u> Finding as indicated in the final audit or non-compliance report.	2) Submit the following documentation of the preventative policies, procedures, or strategies to prevent the recurrence of these finding. <ul style="list-style-type: none">○ Provide documentation of communication or training provided to the appropriate staff of any new or revised policies and procedures that address the non-compliance resolution findings (e.g., dates of staff communication or training, staff role/department who received these communications or training, location of training(s), staff who provided the communications or training, copies of the staff communication or training sign-in sheets, etc.).○ Provide the staff member(s) responsible for the communication, training, and implementation of the preventive policies, procedures, or strategies to prevent the recurrence of the findings and any other notes or comments.
<u>Finding 3:</u> Finding as indicated in the final audit or non-compliance report.	

Required Non-Compliance Documentation Requirements



LEAs must submit documentation of the preventive policies, procedures, or strategies to prevent the reoccurrence of NCR Findings. Responses should include the following:



Documentation of communication or training provided to the appropriate staff of any new or revised policies and procedures that address the non-compliance resolution findings.



Documentation of the staff member(s) who received these communications or training. Provide copies of the staff communications or training sign-in sheets. These documents should include the date of communications or training.

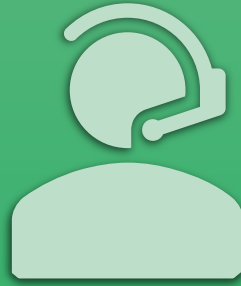


Documentation of the staff member(s) responsible for the communications, training, and implementation of the preventive policies, procedures, or strategies to prevent the reoccurrence of the findings and any other notes or comments that address these findings.

Non-Compliance Resolution Technical Assistance



The FCO is the TEA point of contact for technical assistance throughout the NCR process.



Some LEAs will receive a phone call from the FCO prior to the receipt of the NCR email and letter.

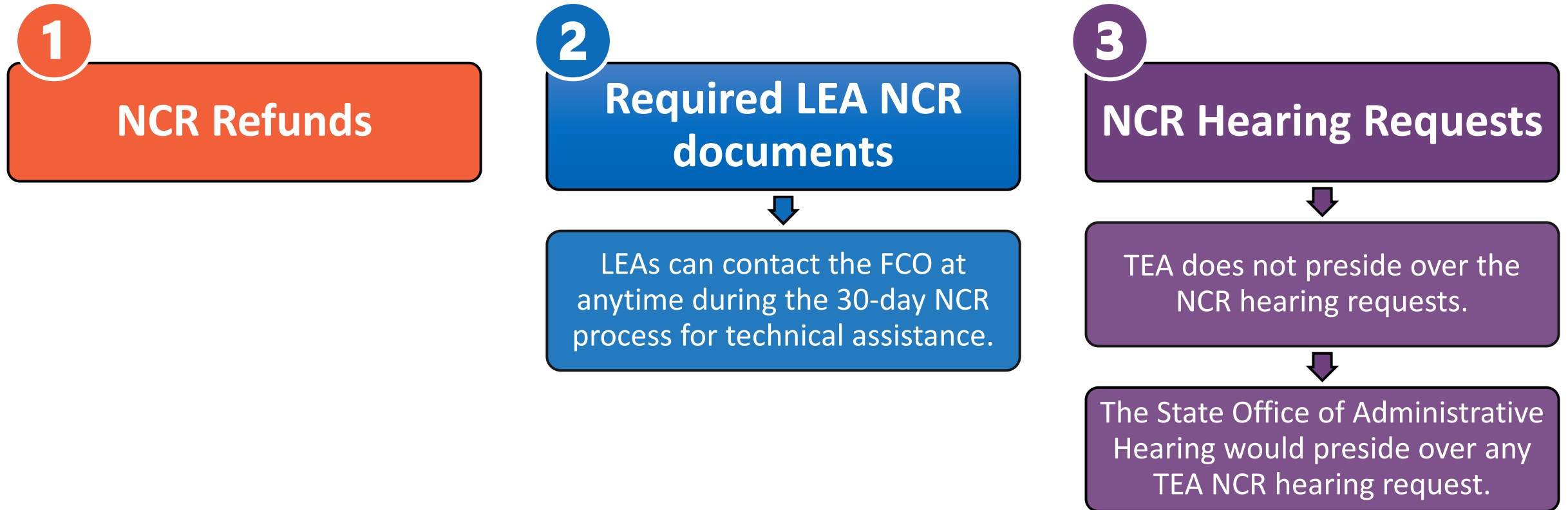


LEAs should submit all required non-compliance required action items to the FCO.



Non-Compliance Resolution Review Process

The Federal Compliance Officer monitors the receipt of all required Non-Compliance required action items.



Non-Compliance Resolution Monitoring



LEAs will receive a reminder email from the Federal Compliance officer prior the **30-day** NCR submission deadline.



LEAs who do not submit the required NCR action items will be contacted by phone and email regarding the potential consequences of non-compliance. LEAs will have five days to submit all required NCR action items to TEA.



TEA is authorized by **2 CFR §200.339** to take one or more of the following six non-compliance resolution actions related to federal grants as appropriate:

Non-Compliance Resolution Monitoring

1

Temporarily withhold cash payments pending correction of the deficiency or more severe enforcement action.

2

Disallow all or part of the cost of an activity or action not in compliance.

3

Wholly or partly suspend or terminate the Federal award.

4

Initiate suspension or debarment proceedings.

5

Withhold further Federal awards for the project or program.

6

Take other remedies that may be legally available.

Non-Compliance Resolution Closure Process

Once TEA has received and reviewed all NCR required actions items, LEAs will receive a closure letter indicating that their Non-Compliance Referral is resolved and closed with no further action.



July 17, 2023

Superintendent Name
Superintendent
LEA ISD
Address
City, Texas Zip Code

Transmitted by Electronic Mail

Subject: Non-Compliance Resolution Closure Letter
Texas Hurricane Emergency Impact Aid for Displace Students (NCR-EIA-FY23-00)

Dear (Insert Superintendent Name):

This letter serves as official notice that the Texas Education Agency (TEA) Department of Grants Compliance and Administration (GCA) has completed its non-compliance resolution review of the finding identified in the TEA Final Report - Review of the Financial Management System Controls and Compliance with Requirements for Texas Hurricane Emergency Impact Aid for Displaced Students on January 20, 2022. These findings are related to a fiscal compliance review conducted by TEA's Special Monitoring Division (SMD) in response to findings identified by the U.S. Department of Education and Office of the Inspector General's report Texas Education Agency's Administration of the Temporary Emergency Impact Aid for Displaced Students Program (ED-OIG/A06T0001).

The Department of Grants Compliance and Administration has received and reviewed all the required non-compliance resolution action items to address the specific findings outlined in your previously received TEA Final Report of Findings and Observations for ABC Independent School District.

ABC Independent School District's findings related to the Texas Hurricane Emergency Impact Aid for Displaced Students Grant are resolved and closed, with no further action needed.

Findings	Received Non-Compliance Resolution Action Items
<u>Finding 1:</u> The total number of displaced student counts reported on a quarterly basis in the EIA grant application did not match with the supporting data provided by ISD.	1) Refund for disallowed costs for \$XXX,XXX.
<u>Finding 2:</u> The total number of displaced student counts reported included students who were not eligible to be reported under the categories based on the review of student records provided by ISD.	2) Documentation of the preventative policies, procedures, or strategies to prevent the recurrence of Findings 1 and 2.
Include the above findings as indicated in the LEA Final Reports.	



Non-Compliance Resolution Monitoring

The Federal Compliance Officer can monitor the number of referrals by:

- ✓ Project
- ✓ Number of referrals
- ✓ Refund amounts and percentages
- ✓ Overdue status
- ✓ Hearing requests
- ✓ Closure rate

Non-Compliance Resources

Non-Compliance Resolution Process Webpage

[Popular Applications](#) [AskTED](#) [ECOS for Educators](#) [Grant Opportunities](#) [Secure Applications](#) [TEAL Login](#) [TSDS](#) [Help Desk](#)

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Non-Compliance Resolution Process

  **Grant Compliance and Administration**

The Non-Compliance Resolution Process is housed in the Department of Grant Compliance and Administration (GCA) to ensure collaboration, alignment, transparency, and consistent implementation from divisional referral through closure. Each agency division follows its internal division policies and procedures for the identification of grantees that will be referred to the Federal Compliance Officer. The Federal Compliance Officer maintains a centralized tracking system of all GCA and agency divisional referral through closure.

Non-Compliance resolution actions can be imposed by the Department of Grant Compliance and Administration when local educational agencies (LEAs), which include both school districts and open-enrollment charter schools, education service centers (ESCs), and non-profits fail to comply with the terms and conditions of federal grant programs. The purpose of the non-compliance resolution required actions is to ensure that LEAs, ESCs, and non-profits correct the identified non-compliant activities to become compliant with all federal statutes and requirements.

Once the Federal Compliance Officer receives the non-compliance referral, a non-compliance letter and report will be sent to the superintendent and other LEA contacts as appropriate. The Federal Compliance Officer will contact the superintendent as determined on a case-by-case basis. The Federal Compliance Officer is the designated point of contact throughout the non-compliance process to ensure prompt completion and closure of non-compliance referrals. Once the Department of Grants Compliance and Administration has received and reviewed all the required non-compliance resolution action items, a closure letter will be provided indicating that all non-compliance actions are resolved and closed, with no further action needed.

Related Content

[Monitoring of Single-Audit Findings](#)

Contact Information

Department of Grant Compliance and Administration
Cal Lopez
Federal Compliance Officer
Phone: (512) 463-9017
Email: noncompresolution@tea.texas.gov

Non-Compliance Resolution Referrals and Actions

Non-Compliance Referrals

Non-Compliance referrals can be submitted for LEAs, ESCs, and non-profits by any division across the agency at any time of the year for:

- Audit findings
- Program compliance
- Fiscal compliance
- Charter school closures
- School district closure or consolidation
- Federal high-risk designation
- Potential misuse of federal funds
- Another reason preapproved by the Associate Commissioner of the Department of Grant Compliance and Administration

Completion of Non-Compliance Resolution Required Actions

LEAs, ESCs, and non-profits will receive a Non-Compliance Resolution email, letter, report, and superintendent call as appropriate that will provide the required Non-Compliance actions that must be completed in 30 calendar days. Examples of required Non-Compliance Resolution actions may include:

1. Submitting a refund for the identified disallowed cost to TEA.
2. Submitting documentation of Non-Compliance Resolution Actions to TEA.
3. Submitting documentation that would demonstrate program or fiscal compliance.

Notice of refund and submission of required Non-Compliance Resolution documentation must be submitted to Cal Lopez, the TEA Federal Compliance Officer, at noncompresolution@tea.texas.gov or 512-463-9017.

Non-Compliance Refund and Appeal Process

Submitting a Refund

If your organization has identified the disallowed costs and chooses not to appeal the decision, proceed with submitting the amount of the total disallowed costs to TEA within 30 calendar days of the date of the letter. You can submit your refund by wire transfer or mailing in a check.

Refund Wire Option: Contact Cal Lopez, the TEA Federal Compliance Officer, at noncompresolution@tea.texas.gov or (512) 463-9017.

Refund Check Option: Submit your check made payable to Texas Education Agency for the total refund amount due. Include the following information on your check:

- NOGA or Project ID
- Grant Name
- Refund Code 7 Other: (Insert Grant or Project Name) Non-Compliance

Include your noncompliance resolution letter with your refund check to ensure your payment is posted to the appropriate grant or program.

Mail your refund check and copy of your noncompliance letter to the address below:

Texas Education Agency-MSC
P.O. Box 13717
Austin, Texas 78711-3717

In accordance with [2 CFR §200.399\(a\) and \(e\)](#), TEA may withhold all further cash payments to your organization related to the grant awards listed above and withhold further awards for those programs if the full amount of the refund is not submitted to TEA within 30 calendar days of the date of this letter. This refund must be made using state and/or local funds; federal funds cannot be used.

Deadline for Appeal

Please be advised that your organization may request a hearing concerning this non-compliance resolution action under the provisions in the Texas Administrative Code (TAC), [19 TAC §157.1083](#). The hearing must be requested within 30 calendar days of the date of this letter and must be requested in accordance with the procedures specified in [19 TAC §157.1083](#). If you must request a hearing, your request must specify:

1. The action or proposed action that is the subject of the requested hearing.
2. The statutory or regulatory identifying and supporting a finding that a violation occurred by TEA in enforcing this decision, and
3. Specific facts supporting a finding that the action taken by TEA is in error.

Hearing Request by E-filing System: The division of hearings and appeals does accept electronic filing through the [TEA Hearings and Appeals Electronic Filing Portal](#) on our TEA website.

Hearing Request by Mail: The request for hearing must be mailed by certified mail, return receipt requested; transmitted by facsimile to (512) 475-3662, or hand delivered to:

Director of Hearings
Texas Education Agency
1701 N. Congress Ave., Ste 2-150
Austin, TX 78701-1494

The request for a hearing shall be deemed filed at the time it is received by the director of hearings or the designated docket clerk in the TEA Division of Hearings. The opportunity to request a hearing will be void 31 calendar days after the date of this letter.

Non-Compliance Potential Consequences

Potential Consequences of Failing to Comply

Failure to complete the Non-Compliance Resolution action within **30 calendar days** from the date of this letter may result in TEA taking further non-compliance actions against your organization. TEA is authorized by [2 CFR §200.339](#) to take one or more of the following non-compliance resolution actions related to federal grants as appropriate.

- Temporarily withhold cash payments pending correction of the deficiency or more severe enforcement action.
- Refund all or part of the cost of the activity or action not in compliance.
- Wholly or partly suspend or terminate the federal award.
- Initiate suspension or debarment proceedings.
- Withhold further federal awards for the grant.
- Take other remedies that may be legally available.

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AskTED

ECOS for Educators


Grant Opportunities

Secure Applications

TEAL Login

TSDS

Help Desk

Texas Education Agency

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AskTED

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Welcome to AskTED

Use the drop-down menus above in order to access the Texas Education Directory Customized Reports and Data Files. Under the Search by menu, you will find searches for School, District, County, Region, and Texas.

AskTED is updated daily. Information downloads should be made as close as possible to the time the information will be used, particularly when downloading email addresses.

For further assistance, click this [first time user](#) link, (requires the free [Adobe Acrobat Reader](#)) or the Help link in the menu bar.

Questions about the **Texas Education Directory** or the **AskTED website**? - Contact [AskTED](#).

Questions or comments about other matters related to **public education in Texas**? - Please go to <http://www.tea.texas.gov/contacttea.aspx>.

Explanatory Materials


- [AskTED Quick Reference](#)
- [Understanding Organization ID Numbers in AskTED](#)
- [Understanding the Three ESC Regions in AskTED](#)

State-Wide School and District Downloads


- [Download School and District File](#)
- [Download School and District File with Site Address](#)
- [Download Archived School and District Data Files](#)


TED Administrator Resources


- [Apply for Administrator Login](#)

Texas Education Directory

Keep LEA contacts up to date! This is our source for NCR communications



Texas Education Agency

Grant Compliance and Administration

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Thank you!

Cal Lopez

Federal Compliance Officer

Department of Grant Compliance and Administration

Phone: 512-463-9017

Email: Cal.Lopez@tea.texas.gov

Email: NonCompResolution@tea.texas.gov