ARIZONA DEPARTMENT OF EDUCATION

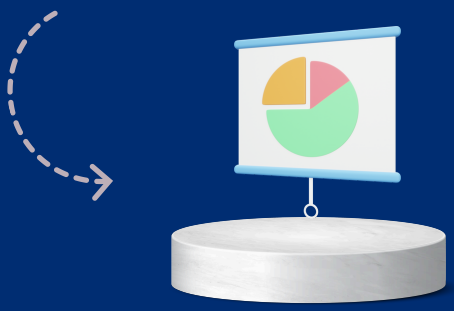
# GRANTS MANAGEMENT RISK ASSESSMENT

ADE is responsible for every dollar of federal awards it provides to subrecipients. Per 2 CFR 200.332(c), as a state agency and pass-through entity, ADE is required to create and conduct an annual risk assessment of all subrecipients to determine prioritization for fiscal monitoring. The Risk Assessment (RA) report is a tool used to evaluate the potential for non-compliance with statutes, regulations, and the terms/conditions of subawards provided to LEAs and other entities. The RA does not impact funding but may impact the ability for ADE to provide certain flexibilities, such as advances, and could lead to additional restrictions.



## What data does the Risk Assessment utilize?

- Audit Performance
- Academic Performance
- Reporting Timeliness
- General Indicators
- Fiscal Performance



## How should an LEA utilize the Risk Assessment?

- The goal in sharing the RA is to assist LEAs to identify areas needing improvement and create a plan for improving fiscal management and program implementation.
- Key stakeholders should review RA such as the LEA superintendent, business manager/CFO, federal programs directors, program coordinators, and any other individuals managing the LEA's federal grants.



## How can an LEA improve their Risk Assessment score?

- Be timely with submitting annual budgets, Annual Financial Reports (AFRs), and Single Audits.
- Submit funding applications on time including required General Statement of Assurances (GSA) and completion reports.
- Spend as much of the grant award in the award year as possible by submitting reimbursements each month per grant.
- Follow the Education Department General Administrative Regulations (EDGAR), Uniform Grant Guidance (UGG), and the Auditor General's guidance and keep documentation for all approved expenditures to avoid audit findings.
- Communicate between stakeholders at the LEA to prompt and hold each other accountable.
- Evaluate effectiveness of programs for student achievement, then monitor and adjust when necessary.



## Where can I find my LEA's Risk Assessment?

The RA is created for each LEA based on their data and is only visible to the LEA & ADE, not the public. Your specific RA report is available in your LEA's document library located in GME. To locate the report:

- Log into GME and select the LEA Document Library from the main menu
- Select the desired fiscal year
- Select Risk Assessment Report>>>LEA Risk Assessment Report