Iowa's Proactive Approach to IDEA Monitoring

Presented to School Budget Review Committee, October 7, 2026

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Areas of Interest

- Truncated version of the presentation given at the 2026 OSEP Leadership and Project Directors Conference on August 4, 2026.

Presentation Abstract: Sharing Iowa's **inspired response to multiple fiscal monitoring findings** in its most recent **OSEP** report, including steps to transition fiscal monitoring **responsibilities** from area education agencies to the Department of Education, the **sunset of paper** applications from subrecipients for IDEA funding, and the introduction of a sophisticated, yet simple online **application** whose *GENIUS* lies in the ability to proactively monitor compliance throughout the budget and claims processes.

OSEP Findings

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Office of Special Education Programs (OSEP) Report

Finding #1: GAN Award Notices

The State's Grant Award Notifications (GANs) do not include all information required by the Office of Management and Budget's Uniform Grants Guidance (OMB Uniform Guidance), required by 2 C.F.R. § 200.332(b)(1)(i)-(xiii).

OSEP Report

Finding #2: Fiscal Monitoring Process

The State does not have a fiscal monitoring process that meets the fiscal monitoring requirements under IDEA and the OMB Uniform Guidance, consistent with 2 C.F.R. §§ 200.332(b), (d)-(f) and (h), 200.339, 200.303, and 34 C.F.R. §§ 300.149, 300.600, and 300.604.

Purchases

Allowable costs consistent with 2 C.F.R. § 200.403(a) and (g);

Equipment and inventory of items purchased using Federal IDEA Part B funds consistent with 2 C.F.R. §§ 200.313 and 200.314

Documentation

Time and Effort charges for personnel duties consistent with 2 C.F.R. § 200.430(b);

Records and Information management to ensure fiscal records are maintained in compliance with 2 C.F.R. §§ 200.303(e)

CEIS

The activities carried out in implementing Coordinated Early Intervening Services (CEIS) under 34 C.F.R. § 300.226.

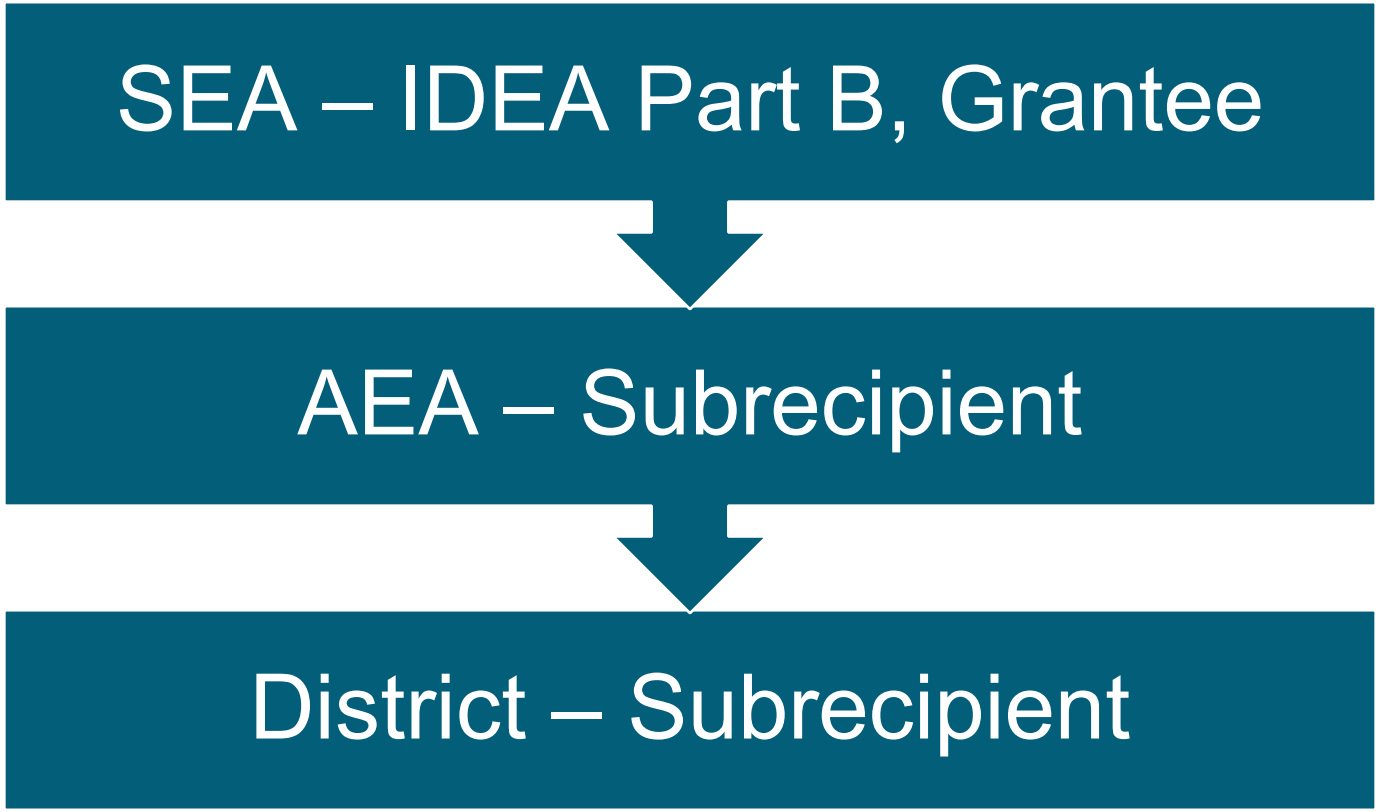
Responsibilities and Response

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Prior Practice

Part B funds were awarded by the Department to the AEAs, who then awarded them to the Districts.

Fiscal monitoring practices for these funds were the responsibility of the AEA.

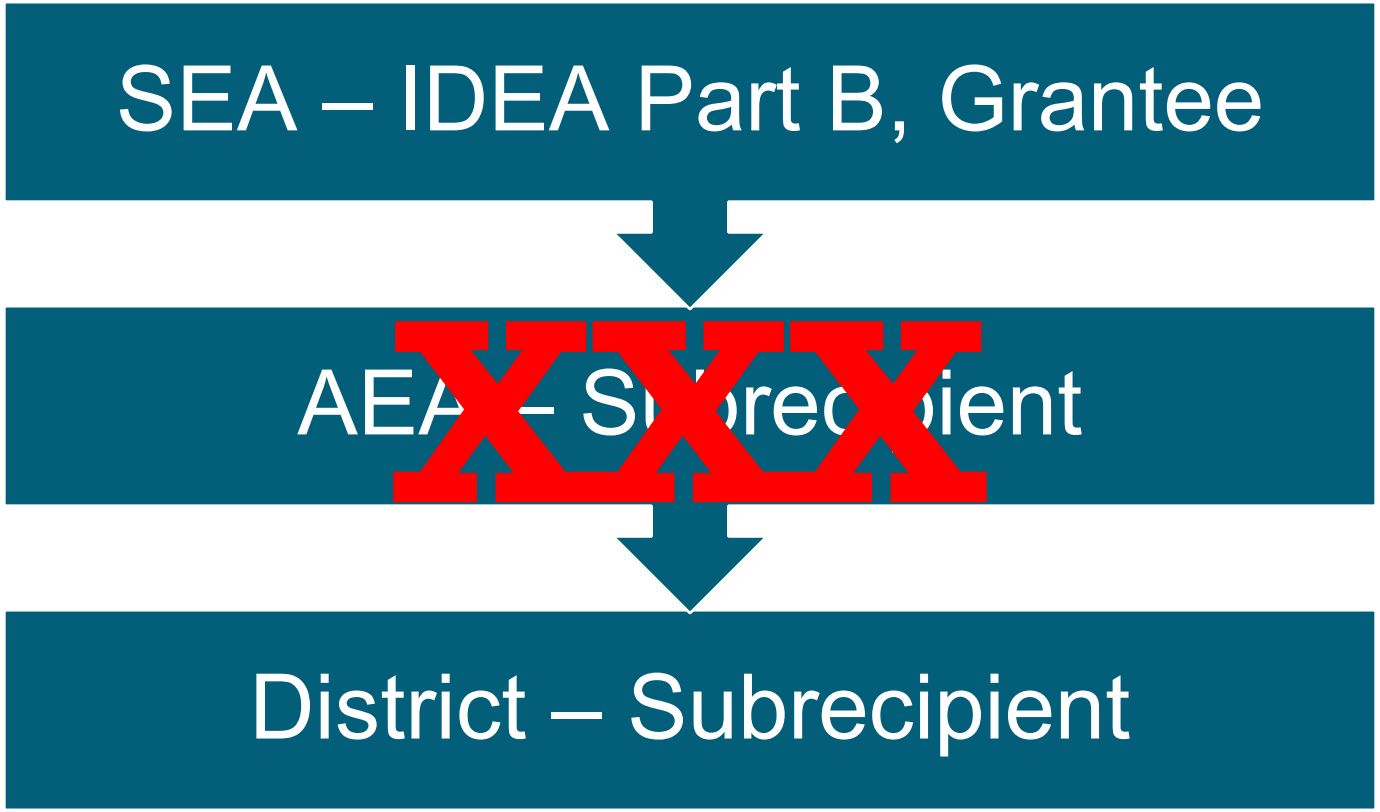


Leadership Support

Effective July 1 2025,

- SEA award Districts directly
- Hold direct responsibility over fiscal monitoring practices, including leading and conducting the monitoring activities internally.

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DE and DOM DoIT Collaboration

An incredible, productive partnership was established.

DE

Lead by School Business Operations (SBO) Bureau,

Program support from Division of Special Education

DOM DoIT

Project Manager

Business Analyst

Development Team

Cadence

Daily stand-up meetings DOM DoIT and SBO began immediately

… And still continue

Field Communications

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Stakeholders

Effort was made to connect with multiple stakeholders to ensure broad understanding of implementation work and required actions.

Leaders

Superintendents

AEA Chiefs

Fiscal

District and AEA School Business Officials (SBO)

Note: In Iowa, there are two statutorily required positions for a District – a superintendent and an SBO.

Program

District and AEA Directors of Special Education

Presentations and Publications

The team utilized existing opportunities to connect with the field to share this information.

Iowa Association of School Business Officials (IASBO)

* Fall 2025, Spring 2026 statewide conferences

Published in the monthly School Business Alert (SBA) newsletter

* January, February, March, April, June 2026

Prior editions of the SBA are available on the Department's SBA web page.

Meetings

The Department included this as a topic of conversation and collaboration during multiple planned meetings.

Monthly statewide superintendent calls

* January, February, March 2026

Quarterly AEA business manager meetings

* February, May 2026

Quarterly Department Finance Roundtable meetings

* January, April 2026

Webinars

The team prepared and presented a number of planned webinars that introduced both the budget and claims processes.

Included very detailed instructions and screenshots of the applications

Budget introduction: LEA Part B (Feb 10, 2026)

Budget introduction: AEA Part C (April 23, 2026)

Claims introduction: LEA Part B (April 21, 2026)

Claims introduction: AEA Part C (May 5, 2026)

Each of the webinars, slide decks, and related resources are available on the Department's Special Education Finance web page.

Important Connection to the Field



District Testers: Four

AEA Testers: Two

Excellent thought partners and critical colleagues throughout the development process prior to full-scale launch.

Process Overview

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Location and Access

Upon launch, all superintendents, AEA chiefs, SBOs, and other pre-determined stakeholders were granted access to the application.

- Portal location is already familiar to AEA and District staff
- Staff already exist as users in the portal
- Portal is connected to other agency databases for direct connection
- Able to prepopulate users and District / AEA data

Budget

The budget process transitioned from a paper process to an electronic version in the application.



- Pre-populated based on allocation
- Limited to allowable expenditure types
- Allows for required and voluntary CEIS
- Requires plan for expending funds consistent with allowable uses
- Amendments are available via resubmission

Claims

The claims process collects the reimbursement request and proof funds were used for allowable purposes.

- Limited to expenditure types and amounts in approved budget
- Collects evidence of allowable use
  - Contract
  - Invoice
  - Time and effort

Gathering

Evidence

Needed for

IDEA

Uses

System

The most repeated word when describing this system:

GENIUS

GENIUS

The *GENIUS* behind the application is the required accounting file and related logic.

Required proper account coding now reinforces appropriate reflection of use and aligns to year-end data.

- Requires accounting file upload
- Based on Iowa Chart of Account Coding
- Expenditures limited to allowable account code combinations based on account code dimensions
  - Fund
  - Facility
  - Function
  - Program
  - Project
  - Object
- *Not allowed to proceed if*
  - Amount coded to program is beyond the approved budget by expenditure type
  - Project (i.e., source of funds) is coded to unallowable account code dimension (even if it doesn't pull into the claim)

Communications

Grant Award Notification (GAN) is sent automatically

- Notifications are all based on predetermined templates
- Application sends notifications automatically
  - Returned or approved budget
  - Returned or approved claim
- Recipients
  - Superintendent / AEA Chief
  - District / AEA SBO
  - District / AEA Special education director
  - Department Special education team inbox

State User

Two state superusers that can do all things the field users can do plus make decisions on all submissions.

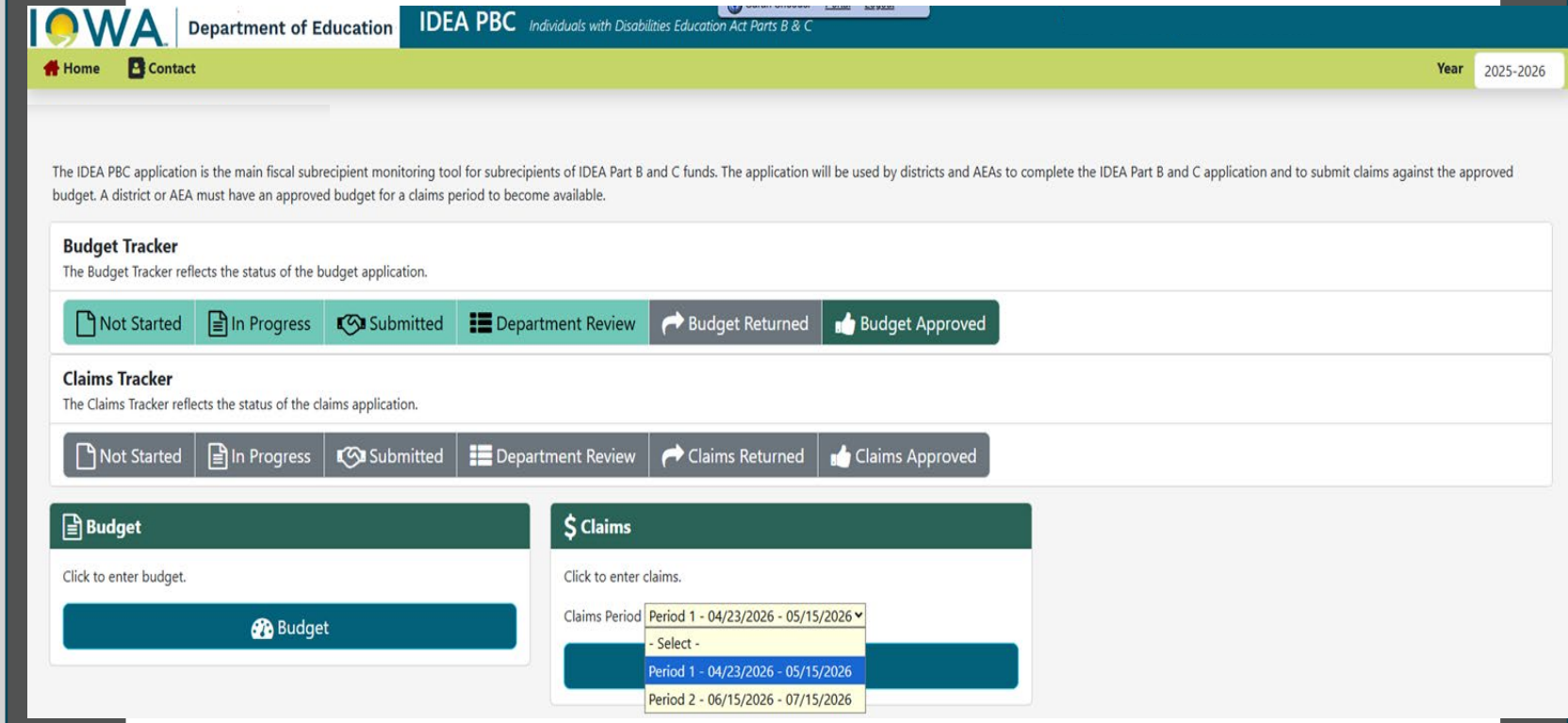
- Takes action on budget and claim submissions
  - Can return or approve line items on each budget page
  - Approvals initiate notifications via email
  - Returns initiate notifications via email and require note in the application to guide districts on incorrect or missing items
- Runs reports to see outstanding actions
  - Non-completers of initial submissions
  - Non-responders of returned submissions

Application: Screenshots – Budget Process

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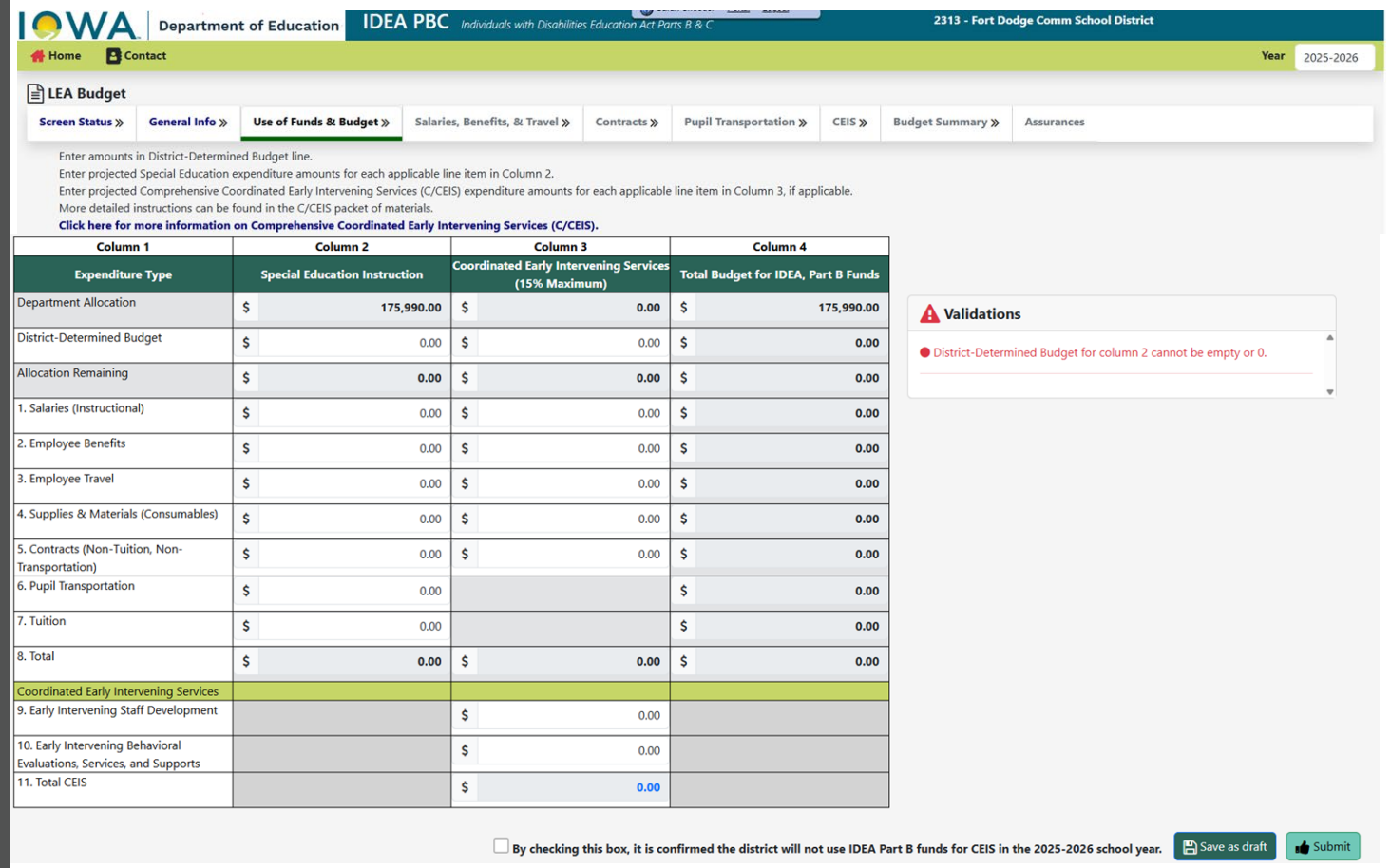
Landing Page

- **Enter**
- **See progress**



Budget Detail Page: Use of Funds and Budget

- Budgets are submitted based on expenditure type
- Carries into budget detail needed
- Defines allowable claims

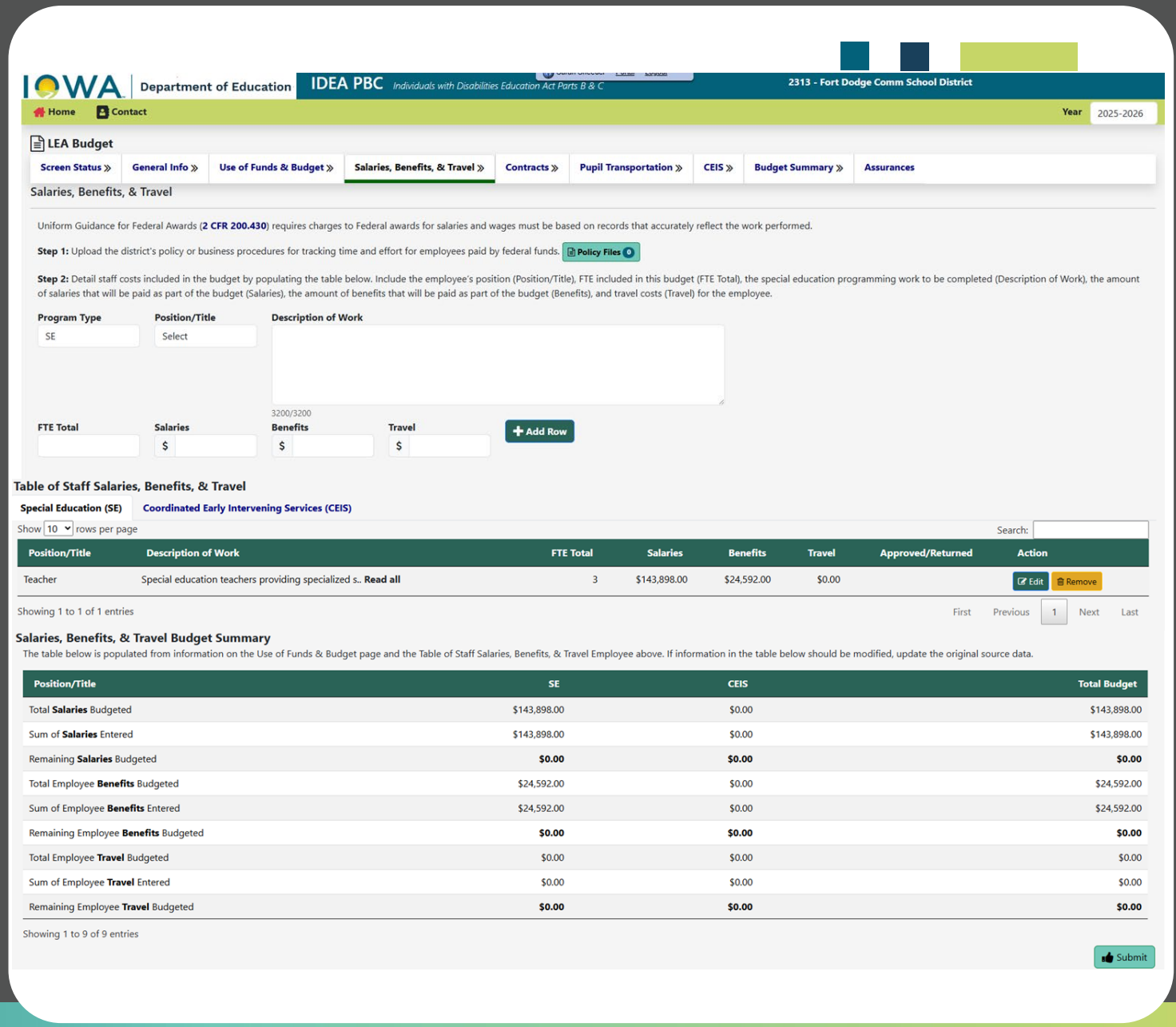


Column 1	Column 2	Column 3	Column 4
Expenditure Type	Special Education Instruction	Coordinated Early Intervening Services (15% Maximum)	Total Budget for IDEA, Part B Funds
Department Allocation	$ 175,990.00	$ 0.00	$ 175,990.00
District-Determined Budget	$ 0.00	$ 0.00	$ 0.00
Allocation Remaining	$ 0.00	$ 0.00	$ 0.00
1. Salaries (Instructional)	$ 0.00	$ 0.00	$ 0.00
2. Employee Benefits	$ 0.00	$ 0.00	$ 0.00
3. Employee Travel	$ 0.00	$ 0.00	$ 0.00
4. Supplies & Materials (Consumables)	$ 0.00	$ 0.00	$ 0.00
5. Contracts (Non-Tuition, Non-Transportation)	$ 0.00	$ 0.00	$ 0.00
6. Pupil Transportation	$ 0.00		$ 0.00
7. Tuition	$ 0.00		$ 0.00
8. Total	$ 0.00	$ 0.00	$ 0.00
Coordinated Early Intervening Services			
9. Early Intervening Staff Development		$ 0.00	
10. Early Intervening Behavioral Evaluations, Services, and Supports		$ 0.00	
11. Total CEIS		$ 0.00	

Sample - Budget Detail Page: Salaries, Benefits, and Travel

Budget and claims detail pages:

- Each requires evidence of *plan* or *proof* of (e.g., time and effort policy/process, drafted contract)
- Each allows for line-item entry by expenditure
- Each displays the “math table” summarizing the allocation versus the budget / claim and any remaining allocation



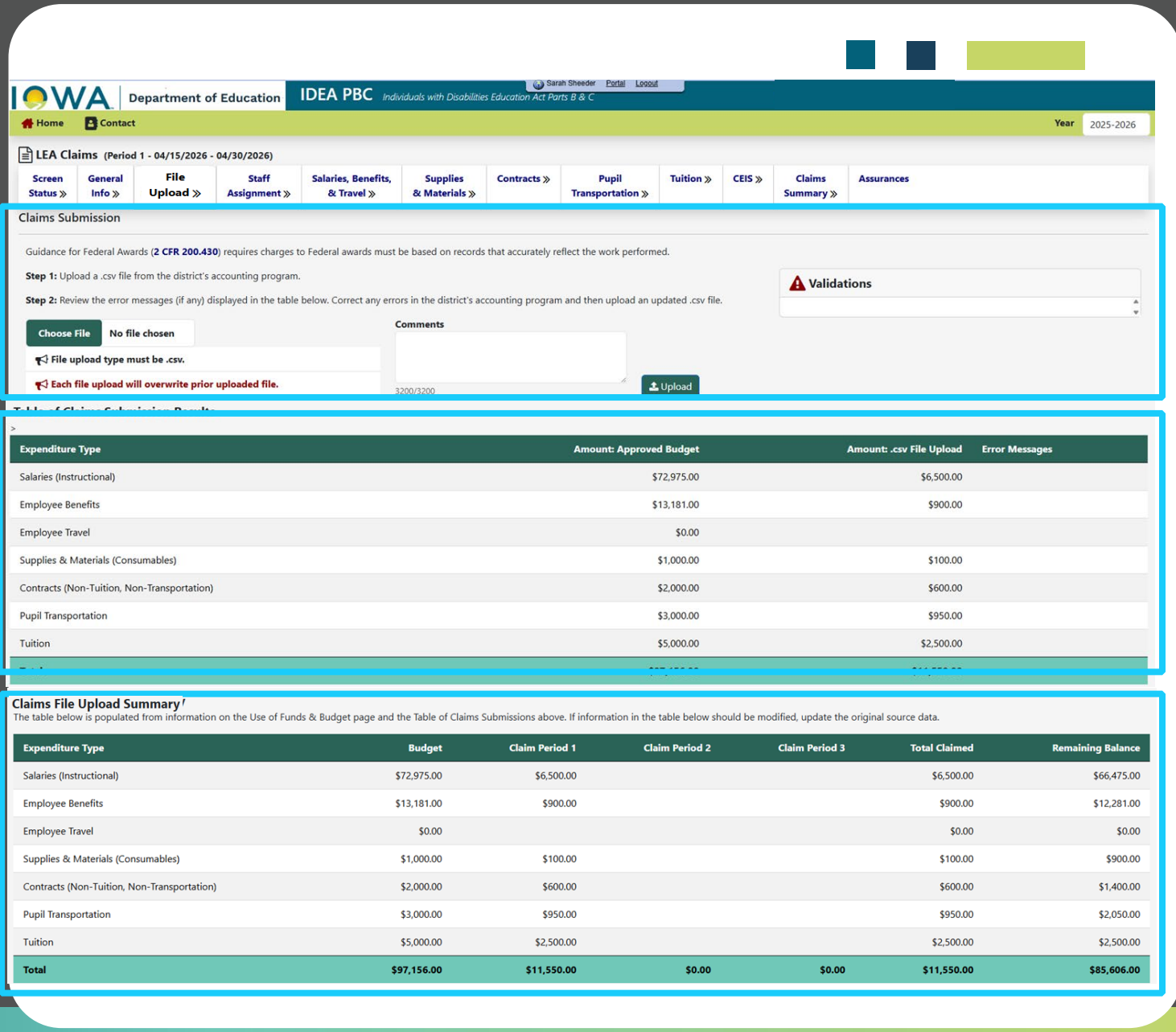
Claims Detail Page: File Upload

---GENIUS---

Step 1: Upload .csv file from accounting software program.

Step 2: Review and correct coding errors.

Step 3: Review and correct budget mismatch errors.



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Home | Contact

LEA Budget

Screen Status » | General Info » | Use of Funds & Budget » | Salaries, Benefits, & Travel » | Contracts » | Pupil Transportation » | CEIS » | Budget Summary » | Assurances

The Screen Status page provides a status overview of the budget detail pages in this application. First, complete the General Info and Use of Funds & Budget pages. Then, the Salaries, Benefits, & Travel; Contracts; Pupil Transportation; Intervening Services (CEIS) budget detail pages will be required based on the line items entered on the Use of Funds & Budget page and as noted in the Required for Certification column below. The Budget Summary budget detail pag The budget will be certified on the Assurances page when all other pages are completed.

Application Page	Required For Certification	Started	Started Date	Submitted	Submitted Date
General Information	Yes	Yes	02/05/2026 02:59:42 PM	Yes	02/05/2026 02:59:42 PM
Use of Funds & Budget	Yes	Yes	02/05/2026 02:06:23 PM	Yes	02/05/2026 02:45:47 PM
Salaries, Benefits, & Travel	Yes	Yes	02/05/2026 02:09:36 PM	Yes	02/05/2026 02:59:02 PM
Contracts (Non-Tuition, Non-Transportation)	Yes	Yes	02/05/2026 02:27:07 PM	Yes	02/05/2026 02:59:14 PM
Pupil Transportation	Yes	Yes	02/05/2026 02:35:09 PM	Yes	02/05/2026 02:59:20 PM
Coordinated Early Intervening Services (CEIS)	N/A	N/A		N/A	
Budget Summary	Yes	Yes	02/05/2026 02:35:09 PM	Yes	02/05/2026 02:58:48 PM

FINAL STEP: Once all budget detail pages identified as required (i.e., YES) reflected in the Required for Certification column have been successfully submitted (i.e., YES) reflect Submitted column, complete the Assurances page to complete the budget submission.

FY26 Successes
FY27 Next Steps

There is so much work yet to do toward final application implementation!

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FY26 Successes

- Positive feedback
- General ease of use
- Updating paper application
- Easily accessible

- Learning curve for appropriate documentation



Realized general vision of application functionality



IDEA Part B

Budget and Two Claims Periods



IDEA Part C Birth to 3

Budget and Two Claims Periods

(Also incorporated state funding stream with same uses)

FY27
Next Steps

There are multiple workstreams and auditing / reporting functions planned to be added.



IDEA Part B, Sec. 611 – AEAs

IDEA Part B, Sec. 619 - AEAs



IDEA Part B, Sec. 611 – State Schools and Institutions



On-Demand Reports

Annual Auditing Tools

IDEA Monitoring

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IDEA Program Risk Assessment - Annual

Risk Level

- **Low Risk:** 0-8 points - No additional monitoring and technical assistance as needed
- **Moderate Risk:** 9-16 points – Due diligence and district -based support as needed
- **High Risk:** 17-26 points - Focused monitoring and intensive district - based support as needed

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IDEA Risk Assessment Tool

Criteria	Measure	Values	Score
1. Founded State Complaints	Did the District have findings of non-compliance through a state complaint? *If a District did not complete corrective action, focused monitoring will automatically be conducted.	No = 0; Yes = 5	
2. Fiscal Monitoring	Was the District at or above Moderate risk for fiscal Monitoring?	No = 0; Moderate = 1 Review/ Follow up = 3	
3. Early Childhood Outcomes	Did less than 50% of the students narrow and/or close the achievement gap in each ECO area?	No = 0; Yes in: 1 area = 1 2 areas = 2 3 areas=3	
4. K-12 Outcomes (ESSA Designation for SWDs)	Does the District have a school that is Comprehensive and/or Targeted for students with disabilities?	No = 0; Yes = 3	
5. District Developed Service Delivery Plan (DDSDP)	The District's DDSDP is up to date.	No = 2 Yes = 0	
6. IDEA-DA Progress Report	Did the District upload their IDEA-DA Progress Report in ACHIEVE?	No = 2 Yes = 0	
7. IDEA–DA Implementation Plan	Did the District upload their IDEA-DA Implementation Plan in ACHIEVE?	No = 2 Yes = 0	
8. Alternate Assessment	Are more than 1% of students in assessed grades and subjects participating in the alternative assessment?	No = 0; Yes = 2	
9. Assessment Participation	Was the assessment participation rate for students with IEPs lower than 95%?	No = 0; Yes=2	
10. New Special Education Director	Does the District have a new special education director?	No = 0; Yes = 1	
11. Conditional Licensed Special Education Teacher(s)	Does the District have conditionally licensed special education teacher(s)?	No = 0; Yes = 1	
12. Other Information	Is there other qualitative or anecdotal information, not previously specified, that supports a need for further review? (RSED concerns, phone calls; etc.)	No = 0; Yes = 1	

Tier 1: Low Risk	0-8
Tier 2: Moderate Risk	9-16
Tier 3: High Risk	17-26

IDEA Program Risk Assessment

Timeline

The annual risk analysis and monitoring process uses the following timeline:

- **October** - The Bureau will conduct the risk assessment using data from the prior year.
- **November** - Subrecipients will be notified of the risk assessment results and next steps.
- **January** - The Bureau will begin follow-up monitoring activities as determined by the risk assessment.
- **May** - The Bureau will review the previous monitoring cycle to determine possible improvements to the risk assessment and monitoring process.

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Tier 1: Low Risk	0-8
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Beyond Annual Monitoring

Program/System Monitoring

1. **Due Diligence -** The Department is made aware of a concern regarding an IDEA policy, procedure, practice, or other requirement that raises one or more potential implementation or compliance issues, if confirmed true.
2. **Focused Monitoring -** The Department identifies a need to investigate a pattern of noncompliance, poor performance on specific priority areas, or concerns identified through a triangulation of data. Focused monitoring occurs to determine the specific reasons for noncompliance and what corrective action may be necessary.

Individual Monitoring – Dispute Resolution

1. Mediation
2. State Complaint
3. Due Process Hearings
4. State Facilitated IEP Meetings - NEW

IDEA Fiscal Risk Assessment - Annual

Risk Level

- **Low Risk:** 0-10 points - No additional monitoring
- **Moderate Risk:** 11-19 points – Technical Assistance
- **High Risk:** 20-28 points - Enhanced technical assistance (20 -23); Intensive monitoring (>23)

IDEA Fiscal Risk Assessment Tool

Criteria	Measure	Values	Score
1. Expenditures	Subrecipient claimed less than 50% of the current year allocation by the end of the third quarter.	No=0; Yes=1	
2. Carryover	Subrecipient forfeited funds that were carried forward from the previous year but remained unspent.	No=0; Yes=2	
3. Citations	Subrecipient had one or more citations for noncompliance with federal program requirements.	No=0; Yes=2	
4. Unresolved citations	Subrecipient had one or more unresolved citations for noncompliance with federal program requirements.	No=0; Yes=3	
5. Application and reports submissions	Subrecipient did not meet a deadline for submitting required reports, data, or applications or received more than two action required notices.	No=0 Yes=3	
6. Claims submissions	Subrecipient failed to submit a claim or received more than two action required notices for claims across all programs.	No = 0 Yes=3	
7. Nonpublic consultation	Subrecipient did not meet the deadline for submitting non-public consulting agreement(s) and/or all equitable shares were not used.	No=0 Yes=1	
8. Personnel (Administration)	Subrecipient's superintendent or school business official changed from the previous year.	No=0; Yes=2	
9. Personnel (IDEA Oversight)	Subrecipient's designee for the oversight of IDEA implementation changed from the previous year.	No=0; Yes=2	
10. IDEA Part B Award amount	Subrecipient allocation is a) <$25,000 b) $25,000 - $200,000, or c) >$200,000.	a=1 b=2 c=3	
11. Grant programs	Total number of program grants awarded to Subrecipient is a) <4 b) 4-6, or c) >6.	a=1 b=2 c=3	
12. Needs intervention/ needs substantial intervention	A district or AEA rating of Needs Intervention or Needs Substantial Intervention.	No=0 Yes=3	

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IDEA Fiscal Risk Assessment Tool

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Cyclical Monitoring – at least every 5 years

Targeted Monitoring - a review of files submitted by the AEA and District, including but not limited to, the following:

- Budget or expenditure reports;
- Time and effort documentation;
- Documentation related to program-specific areas (where applicable);
- Written, board-approved fiscal policies and procedures;
- Additional fiscal data submitted requested by the IDOE;
- Grant award letters, contracts, files, documents, and related correspondence and
- Audit reports

Intensive Monitoring – a review of files submitted by the AEA or District, including but not limited to documentation listed under targeted monitoring as well as:

- Proportionate share expenditure documentation (including consultation logs)
- IDEA Part B Applications and all budget amendments;
- Equipment purchases/inventory lists
- Evidence of reconciliation at least every two years
- Financial Management Assurance Statement; and
- CEIS/CCESI expenditure documentation and data collection

Thank you.

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Contact: Kassandra.Cline@iowa.gov or Leisa.Breitfelder@iowa.gov