



HIGH RISK STATUS INTRODUCTION

Per 2 CFR 200.332, the OPI is required to perform a risk assessment collaboration of the subrecipients served. The OPI began to update the process in 2019 but due to the COVID-19 pandemic, implementation was stalled until 2020, at which time, a committee was developed to review the process and implement an OPI-wide process to determine level of risk for each school.

The process implementation requires that each OPI unit responsible for administering state and federal dollars is required to individually determine risk for their assigned program each year. To accomplish this collaboration and meet deadlines, this process was created to allow each program to combine their assessment of each school district in their program.

There are two different types of risk associated with the process. First is the individual risk for a state and/or federal program. For example, a district receiving an individual high-risk designation by Title III, would then work with that program to correct any issues that led to that ranking. This could include, but is not limited to, self-assessments, programmatic review, increased monitoring, etc.

The second type of risk results from combining the risk ratings from fiscal and all programs, resulting in a final all-inclusive risk level for each school district. The types of corrective actions for this designation can include, but are not limited to, self-assessments, increased onsite monitoring, direct reimbursement of funds, etc. Only districts with a designation of high-risk will have action taken to remedy fiscal and programmatic errors.

Districts with combined high-risk ratings will be issued a letter from the OPI, notifying them of their level of high-risk and what that means for their district. Districts with high-risk ratings may be subject to more frequent monitoring, internal reviews, and/or other corrective actions as deemed necessary by the OPI.

A low-risk designation does not result in any action taken against the school.



HIGH-RISK APPEAL PROCESS

Schools have the right to appeal a high-risk designation if they feel the designation was made in error or if they feel that they have corrected the issues which led to the High-Risk designation.

This appeal process is as follows:

	School	Auditor	Financial	Programmatic	Legal	Superintendent
School must send, within 60 days of receipt of notification of the High-Risk designation, a letter to the OPI Auditor noting the purpose for the request and including any documentation to support the claim.	X					
The auditor will determine if the high-risk was based only on financial criteria, programmatic criteria, or both.		X				
The auditor will review the appeal request and included documentation to determine if additional documentation is needed.		X				
The auditor will request additional documentation if needed within 30 days of receipt of the appeal letter.		X				
If only financial criteria created High-Risk determination		X	X			
If only programmatic criteria created High-Risk determination		X		X		
If both financial and programmatic criteria created High-Risk determination		X	X	X		
The auditor will schedule a meeting with the appropriate OPI Review Staff member(s) and present all documentation provided.		X				
The Auditor and the appropriate OPI Review Staff will review the documentation and make a tentative determination.		X				



	School	Auditor	Financial	Programmatic	Legal	Superintendent
Once a final determination has been made, the Auditor will present the proposal, within 60 days of receipt of the appeal letter and the receipt of any additional requested documentation, with a summary of the documentation provided, to the Superintendent for approval or denial of the High-Risk appeal.		X				X
Upon the Superintendent's approval or denial of the release of High-Risk status, the Auditor will create the letter for notification of the final determination.		X				
The Auditor will send the letter to Legal and the appropriate OPI Review Staff members for approval to send the letter as written, and/or for advice on corrections to the letter.		X			X	
Upon approval from Legal and the appropriate OPI Review Staff members, the letter will be saved in a .pdf format and sent via email, to the board chair and copying the following persons:		X				
State Superintendent						
Deputy Superintendent						
OPI Financial Officer						
OPI Programs Officer						
School Finance Manager						
CSD Senior Manager						
District Clerk						
District Superintendent						
County Superintendent						
Board of Trustees						
Local Government Services						
This .pdf should be included in the audit folder for that school, in the year that the letter is sent.		X				



HIGH-RISK RELEASE

When all audit risk assessment summaries are completed and have been reviewed, and High-Risk letters have been emailed, any schools that have dropped out of the 'High Risk' category will receive a 'High Risk Release Letter'.

These letters will be saved in a .pdf format and emailed to the board chair, and copying the following persons:

- State Superintendent
- Deputy Superintendent
- OPI Financial Officer
- OPI Program Officer
- School Finance Manager
- CSD Senior Manager
- District Clerk
- District Superintendent
- County Superintendent
- Local Government Services