



DATE:	July 29, 2021
SUBJECT:	Risk assessment level for school year 2021–2022 (fiscal year 2022)
CATEGORY:	Grant monitoring
NEXT STEPS:	Assignment of risk level

As a pass-through entity, the Texas Education Agency (TEA) awards federal grant funds to eligible subrecipients, including local educational agencies (school districts and open-enrollment charter schools—LEAs). The responsibilities of pass-through entities are given in

0 1 7 S Title.2 of the Code of Federal Regulations, 8 4 a T A) to 162 0 0 Tc 20.6 F1 33 -1.14 gr 10 (c) - State 1r. 6

Effect of Different Risk Levels

An organization's risk level will be used by TEA in the following ways:

Differentiated Grant Negotiation. TEA uses a differentiated grant negotiation process for federal grant applications. Organizations with a medium or high risk level are subject to a more stringent grant negotiation review than those with a low risk level.

Subrecipient Monitoring. Each year, TEA selects subrecipients for fiscal monitoring according to their risk levels. The higher your organization's risk level, the more likely you are to be selected for monitoring; however, TEA monitors subgrantees from eac