Subrecipient Risk Assessment Methodology & Scoring Rubric

BUDGET & GRANTS MANAGEMENT

Prepared For: Subrecipient risk evaluation under 2 CFR § 200.332(b)

Prepared By: Office of Budget and Grants Management | Grants Compliance

Grant Year: 2026-2027

Description

The law requires the Nebraska Department of Education (NDE) to monitor the activities of its subrecipients to ensure that the subaward is used for authorized purposes, in compliance with federal statutes, regulations, the terms and conditions of the subaward, and that subaward performance goals are achieved.
Under § 200.332(b) of the Uniform Guidance, pass-through entities, including NDE, are required to evaluate each subrecipient's risk of noncompliance. The guidance allows NDE the authority, to develop a risk assessment process tailored to meet the state's needs. In addition, it provides flexibility to develop grant-specific risk assessments that address varying programmatic and fiscal requirements.

Process

NDE identified required criteria for the risk assessment by using appropriate public metrics, such as Single Audit results. Data sets including AQuESTT, grant funding levels, subrecipient self-risk assessment information captured in the Grants Management System, and portal submissions (e.g., audits, annual financial reports, budgets, and other required documentation) were utilized as indicators to inform the assessment.

To ensure a reasonable, supportable, and current evaluation of risk, NDE incorporates the most recent data available at the time the risk assessment is conducted, consistent with 2 CFR Part 200 requirements to use the best available information and to consider and incorporate updated information as it becomes available.

Scoring calculations are specific to each individual subrecipient. Based on the data collected and analyzed, NDE determines whether a subrecipient's risk level is Low, Medium, or High. Subrecipients classified as "Other" entities are automatically identified as High Risk.

The data used in the risk assessment reflects the most recent information available at the time of evaluation, which may include prior fiscal year data, and is intended to inform risk determinations for the upcoming 2026–2027 grant year.

Understanding the Risk Indicators

Five categories were determined to be significant indicators of risk that may adversely affect a subrecipient's ability to achieve program and compliance objectives. The categories include Audit Performance, Academic Achievement, Reporting Timeliness, Fiscal Performance, and General Indicators. Each category includes analysis of multiple data sets. Scores for each data set are combined into a single score to provide an overall indicator of risk for each category.

Audit Performance

Monitoring Activity

Description:
This factor evaluates how recently the subrecipient received a fiscal monitoring review by NDE. Subrecipients are generally expected to be reviewed on a three-year cycle. Subrecipients that have not been reviewed within the expected cycle, or that have never been reviewed, receive a higher risk score and may be prioritized for monitoring.

Collection Method:

Fiscal Monitoring records, based on the most recent completed review year available.

Scoring:

Score entities based on the number of years since their last completed fiscal monitoring review.

- **1** – Last reviewed in 2024–2025 or completed in 2023–2024; 0–1 years since review; Low risk
- **2** – Last reviewed in 2022–2023; 2 years since review; Low risk
- **3** – Last reviewed in 2021–2022; 3 years since review; Medium risk and due for review this cycle
- **4** – Last reviewed in 2020–2021; 4 years since review; Medium-High risk and overdue for review
- **5** – Last reviewed in 2019–2020 or earlier, or never reviewed; 5 or more years since review; High risk and prioritized for monitoring

Special Rule:

Reviews marked as "in progress," "not started," or "N/A" are not treated as completed reviews. When this occurs, the scoring calculation should use the previous valid completed review year.

Interpretation:

Lower scores indicate the subrecipient was recently reviewed and remains on track with the three-year monitoring cycle. A score of 3 indicates the subrecipient is due for review this cycle. Scores of 4 or 5 indicate the subrecipient is overdue and should be prioritized for monitoring.

ADM Audits (Average Daily Membership) *(Applies to school districts only)*

Description:

Evaluates results of ADM audits, including discrepancies and timeliness of submission.

Collection Method:

Most recent ADM audit data submitted via Portal

Scoring:

- **1** – Early submission, no reportable issues
- **2** – Submitted on due date, no issues
- **3** – Submitted shortly after due date, no issues
- **4** – Submitted later in reporting window, no issues
- **5** – Submitted late and/or includes reportable findings

Outside Audit / Single Audit Results

Description:

Evaluates prior audit results, including Single Audit compliance and findings, and whether the subrecipient receives direct federal funding.

Collection Method:

Most recent audits and Single Audit data from Portal

Scoring:

- **1** – No findings
- **2** – One finding, no Single Audit
- **3** – Two findings, no Single Audit

- **4** – Single Audit with no major findings or multiple financial statement findings
- **5** – Single Audit with major findings, untimely submission, or disclaimer

Policies and Procedures

Description:
Evaluates whether the subrecipient maintains required policies and procedures in accordance with 2 CFR Part 200.

Collection Method:
GMS self-risk assessment responses

Scoring:

- **1** – All required policies/procedures in place
- **2** – Missing 1–2 policies
- **3** – Missing 3–4 policies
- **4** – Missing 5–6 policies
- **5** – No required policies in place

Academic Achievement

AQuESTT *(Applies to school districts only)*

Description:
Uses statewide accountability classification data as a general indicator.

Collection Method:
Most recent AQuESTT classifications available

Scoring:

- **1–2** – Highest classification level
- **3** – Mid-level classification
- **4** – Lower classification
- **5** – Lowest classification

Reporting Timeliness

Annual Financial Report (AFR)

Description:
Evaluates timeliness and accuracy of required AFR submissions.

Collection Method:
Most recent AFR submitted via Portal

Scoring (Schools):

- **1** – Approved early
- **2** – Approved on due date
- **3** – Approved shortly after due date
- **4** – Approved later in reporting window
- **5** – Approved late

Scoring (ESUs):
(Same structure aligned to ESU due dates)

Adopted Budget Submission *(School districts only)*

Description:
Evaluates timeliness of adopted budget submission.

Collection Method:
Most recent adopted budget submission via Portal

Scoring:

- **1** – Submitted early
- **2** – Submitted on due date
- **3–5** – Submitted late (scaled based on delay)

General Indicators

Grant Subaward Experience

Description:
Evaluates subrecipient experience managing similar awards.

Collection Method:
GMS self-risk assessment responses

Scoring:

- **1** – 10+ years
- **2** – 7–9 years
- **3** – 5–6 years
- **4** – 3–4 years
- **5** – 1–2 years

Grant Personnel / Accounting System

Description:
Evaluates changes in personnel or systems affecting grant management.

Collection Method:
GMS self-risk assessment responses

Scoring:

- **1** – No changes
- **3** – New personnel or system
- **5** – Both new personnel and system

SAM Registration Status

Description:
Confirms whether the subrecipient's System for Award Management (SAM) registration is current and up to date as required for federal award eligibility. This indicator considers both the entity's self-reported response in the GMS self-risk assessment and verification against SAM.gov. Maintaining current SAM registration is a federal requirement and supports continued eligibility to receive federal funds.

Collection Method:
GMS self-risk assessment response to the SAM registration question: "Is your entity currently up-to-date with the System for Award Management (SAM) website as required per Federal guidance?" The response is reviewed alongside the entity's UEI and SAM expiration date entered in the UGP profile. NDE compares the self-reported response to the entity's SAM.gov registration status to determine whether the entity is current, partially compliant, or not current.

Scoring:
Scores are assigned using the 1-3-5 risk scale based on the entity's self-risk assessment response and SAM.gov verification.

- **1** – Yes; entity reported that SAM registration is up to date and SAM.gov verification supports current registration status; Low risk

- **3** – Partial; entity reported partial compliance, or the entity appears current in one source but not fully current in both SAM.gov and the UGP profile; Medium risk
- **5** – No; entity reported that SAM registration is not up to date, or SAM.gov verification shows the registration is inactive, expired, or otherwise not current; High risk

Interpretation:

A lower score indicates the entity's self-reported response and SAM.gov verification support current SAM registration. A medium score indicates partial compliance or an inconsistency between the entity's self-reported information, SAM.gov, and the UGP profile that may require follow-up or technical assistance. A high score indicates the entity is not current or appears out of date and may require prompt follow-up because current SAM registration is necessary for federal award eligibility.

Fiscal Performance

Subaward Carryover Percentage

Description:

Evaluates extent of unspent funds carried over.

Collection Method:

Grants Management System

Scoring:

- **1** – 0–10% (minimal carryover)
- **2** – 10–20%
- **3** – 20–30%
- **4** – 30–40%

- **5** – Over 40%

Total Federal Grant Funding Received

Description:
Evaluates total grant funding received.

Collection Method:
Grants Management System

Scoring:

- **1** – Less than $100,000
- **2** – $100,000–$400,000
- **3** – $400,001–$1,000,000
- **4** – $1,000,001–$20,000,000
- **5** – Over $20,000,000

Maintenance of Effort (MOE) *(School districts only)*

Description:
Evaluates compliance with MOE requirements.

Collection Method:
NDE MOE calculations

Scoring:

- **1** – Meets MOE
- **3** – Required assistance to meet MOE
- **5** – Did not meet MOE

Weighted Score

- If you score a 5 in any of the categories listed below, a bonus of 2 additional points are added to your total score:
  - Monitoring Activity
  - Outside Audit / Single Audit Results
  - AQuESTT (if applicable)

Risk Assessment Example:

Risk Assessment

For the application year, Nebraska Department of Education (NDE) has determined your organization is considered Low Risk

NDE identified required criteria for the risk assessment by using appropriate public metrics such as Single Audit findings. Data sets such as AQuESTT, grant funding and Local Educational Agency (LEA) self-risk assessment questions captured in the Grants Management System, and Portal submissions (i.e. audits, annual financial reports, budgets, etc.) were utilized as indicators providing a reasonable basis for the results based on our assessment objectives and federal requirements. Each criteria is given a score of 1 through 5. Based on the total results, the Risk Level is identified as low; low/medium; medium; medium/high; high. If you are an 'Other' entity, you are automatically identified as high risk. Refer to the below chart:

Risk Assessment		Total Score Results	
Level	**Fiscal Review %**	**School District**	**ESU**
Low	5%	14 through 23	10 through 12
Medium	15%	24 through 33	13 through 18
High	25%	34 and above	19 and above

Additional Resource: NDE Risk Assessment Guide

Risk Assessment Criteria	Score Result
Audit Performance	
Monitoring Activity	2
Average Daily Memberships (ADM) Audits	2
Outside Audit/Single Audit Results	1
Policies and Procedures	1
Academic Achievement	
AQuESTT	4
Reporting Timeliness	
School Finance Annual Financial Report (AFR)	1
School Finance Adopted Budget	1
General Indicators	
LEA Grant Award Experience	1
LEA Grant Personnel/Accounting System	1
LEA is current with System for Award Management (SAM)	1
Fiscal Performance	
Federal Award Carryover Percent	1
Dollar Amount Received	4
Maintenance of Effort	1
Weighted Score	
Weighted score based on results within monitoring activity, audits/single audit, and AQuESTT (if applicable).	0
Total:	21
Risk Assessment Level:	Low Risk