



GRANT MONITORING & COMPLIANCE

2011- GRANT MONITORING / COMPLIANCE TRAINING

Office of Adult & Juvenile Justice Assistance (OAJJA)
Division of Criminal Justice (DCJ)

Website addresses:

www.dcj.state.co.us

<http://dcj.state.co.us/oajja/>

INTRODUCTIONS

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GOALS OF TODAY'S WORKSHOP

- ❑ Overview of grant monitoring process
- ❑ Review responsibilities of the Project Director and Financial Officer for the monitoring/compliance review
- ❑ “Resource Checklist & Guide”
- ❑ Helpful Hints
- ❑ Indicators of Risk
- ❑ “Top 12” list of Compliance Findings
- ❑ Answers to common questions

THE WHAT OF MONITORING GRANT PROJECTS

- ◎ [What is monitoring?](#)
 - ◎ It is a comprehensive compliance review of the sub-grantee to ensure that Federal, State and Grant requirements are being met.
 - ◎ It is not an audit; an audit is not conducted in the same manner as a monitoring/compliance review.
 - ◎ DCJ staff informs sub-grantees, up-front, what is expected in terms of compliance.
 - ◎ It is a responsibility of DCJ (Division of Criminal Justice) to monitor those agencies who have been awarded U.S. Department of Justice federal funds.

THE WHY OF MONITORING GRANT PROJECTS

- ◎ The Federal government relies on the states to perform the monitoring/compliance review functions on their behalf.
- ◎ DCJ is accountable to the U.S. Department of Justice, the Inspector General's Office, the Office of Governmental Accountability and the taxpayers on how grant dollars were awarded and disbursed.
- ◎ A process of accountability is mandated by the Federal Transparency and Accountability Act (FFATA).

THE HOW OF MONITORING GRANT PROJECTS

- ❑ Desk Monitoring
- ❑ Telephone/Email
- ❑ Financial and Programmatic Monitoring
- ❑ Comprehensive On-site Monitoring
 - ❑ The most common method used by the Division of Criminal Justice is the comprehensive on-site monitoring site visit

MONITORING / COMPLIANCE

CONT....

- ◎ What does this mean, for you, the sub-grantee?
 - ◎ Your agency will be required to meet federal requirements within a relatively short period of time (the first year of your grant project).
 - ◎ Your agency will be asked to draft and create several policies if the required policies are not already in place; provide information related to Civil Rights training and an EEOP (Equal Employment Opportunity Plan); create your “**Master Grant file**”; and other grant related activities.

MONITORING / COMPLIANCE

CONT....

- ⦿ The Project Director and the Financial Officer of the grant project, will need to devote some extra time to meeting the compliance requirements.

NOTE: Failing to meet compliance requirements may affect cash requests, and may possibly place your agency at risk at losing grant dollars currently and in the future. In addition, the Justice Assistance Grant Board will be notified of any agency in non-compliance and when your agency has any findings.

HELPFUL HINTS....

- ⊙ DCJ has several “sample” policies/guidelines and other resource information to help you through the process.
- ⊙ Completion of the checklists is the responsibility of the Project Director.
- ⊙ DCJ General Compliance Checklist: Basically lists in a more simplified manner, the Federal requirements that have been in existence for several years. These requirements are also found in Section C: Federal Certified Assurances which are a part of the contract documents that your agency signed with the Department of Public Safety, Division of Criminal Justice.
- ⊙ A good approach to completing the checklists: All parties (Project Director, Financial Officer & other staff knowledgeable about the grant) work together in answering the questions and compiling the required information and documentation

HELPFUL HINTS CONT....

- ◎ Remember, DCJ will need all required documentation and/or information that is requested.
- ◎ Time Investment: You will need to plan at least 3 - 15 hours to complete the checklists, and to collect and compile the requested information. ***** Please do not wait until the day of OR the day before to work on completing the checklists.**
- ◎ **“Program Specific” checklist**: Questions relate to the administration of the grant of which the Project Director and Financial Officer are responsible.
 - ◎ Includes several financial questions

HELPFUL HINTS CONT....

- **What if my grant project closes?** The grant funded agency is still expected to be in compliance with all Federal, State, and grant requirements. As part of DCJ's improved monitoring process, your grant project will be monitored in some fashion.
- **Communication:** Don't be shy about calling your DCJ Grant Program Manager and asking questions! They are your greatest resource.

POLL #1

- ⊙ Which statement is false?
- ⊙ 1) Your agency will be required to meet Federal requirements during the first year of your grant award.
- ⊙ 2) The comprehensive monitoring site visit, is the most used method by DCJ.
- ⊙ 3) Completion of the “compliance checklists” can be handled by anyone at the grant funded agency.
- ⊙ 4) If your grant funded agency fails to meet compliance requirements, cash requests may be jeopardized and your agency may be at risk at losing grant dollars currently and in the future.

THE RESOURCE CHECKLIST & GUIDE

◎ SECTION 1:

Note: Several policies are required to meet Federal requirements.

- ◎ **Involve your Human Resources/Employee Relations Office**
- ◎ Agency's employee Personnel manual/handbook
- ◎ Policy/procedure on non-discrimination
- ◎ Policy/procedures on civil rights
- ◎ Policy/procedure on LEP (Limited English Proficiency)
- ◎ Policy/procedure on conflict of interest

SECTION 1 CONT....

- ③ Policy/procedure on a Drug Free Workplace
- ③ Policy/procedure prohibiting employees from engaging in political activity
- ③ Records retention
- ③ Grievance policy/procedures for employees
- ③ Written financial policies/procedures (to include a “Grants Management” section)

RESOURCE CHECKLIST & GUIDE

- ◎ SECTION 2: Administrative compliance items
- ◎ Employment Eligibility
- ◎ Findings of Discrimination
- ◎ Civil Rights Training
- ◎ EEOP (Equal Employment Opportunity) plan
- ◎ Organizational chart (***applicable when grant is funding personnel***)
- ◎ Current written job descriptions (***applicable when grant is funding personnel***)
- ◎ Equipment/Inventory system (***when applicable***)

SECTION 2 CONT....

- ⊙ Project Income (*if applicable*)
- ⊙ Discovery/invention/original materials (*if applicable*)
- ⊙ Copyrighted, ownership of work (*if applicable*)
- ⊙ Supplanting
- ⊙ Printing and/or distribution
- ⊙ Suspension & Debarment
- ⊙ Professional, consulting services - third party vendors & sub-recipients
- ⊙ Lobbying

RESOURCE CHECKLIST & GUIDE

- ① [Section 3: Programmatic compliance items](#)
- ① Master Grant File
- ① Administrative Guide for State Grant Programs
- ① Project requirements
- ① MOU - Memorandum of Understanding or other agreements
- ① Training presentations
- ① Evaluation
- ① Central Contractor Registration (CCR)
- ① Criminal Intelligence System

THE RESOURCE CHECKLIST & GUIDE

- ◎ **Section 4: Overall Grant Management**
- ◎ The grant funded agency must be aware that gross mismanagement or waste of grant or contract funds; abuse of authority related to the implementation or use of funds; and a violation of law, rule or regulation related to the grant award and other issues may constitute grant fraud. **Federal officials have defined fraud as:** an act of deceit, or trickery, or a deliberate neglect, committed by a recipient of federal funding.
- ◎ Know about the 11 most common fraud related issues (see *"The Resource Checklist & Guide"*)

POLL #2

⊙ Which statement is true?

- ⊙ 1) Supplanting with Federal dollars is allowed.
- ⊙ 2) There are 10 potential policies and procedures that have to be in place to meet Federal and/or State requirements.
- ⊙ 3) An EEOC is required for all grant projects.
- ⊙ 4) There is only one way to meet the Federal Civil Rights training requirement.
- ⊙ 5) Segregation of duties is a critical element of internal controls.
- ⊙ 6) Your CCR (*Central Contractor Registration*) has to be maintained through the end date of your grant project.

INDICATORS OF RISK

Common Issues:

- ❑ Late quarterly narrative reports and/or consistently incomplete reports that DO NOT report on meeting the stated and approved goals and objectives
- ❑ Cash Requests not submitted or completed incorrectly
- ❑ Program start-up delayed
- ❑ Spending too quickly or too slowly
- ❑ Discrepancies between narrative and financial reports
- ❑ Expenditures in unauthorized budget categories on reports
- ❑ Approved budget figures are wrong on quarterly financial reports

INDICATORS OF RISK

Serious Issues:

- ❑ Pattern of spending in wrong budget category
- ❑ On-going minor problems that are not resolved
- ❑ Unresponsive to requests for information
- ❑ Project goals are not being met

INDICATORS OF RISK

Critical Issues:

- ❑ Failure to meet Federal requirements in a timely manner or not at all
- ❑ Financial management: Lack of internal controls; no formal written procedures or standard operating procedures and/or an official operations manual exist at the agency.
- ❑ Allegations of misuse of funds, misconduct or violations of grant conditions
- ❑ Agency has a history of unsatisfactory performance
- ❑ Audit findings
- ❑ False Certification of requirements (DCJ Form 30)

NOTE: Unresolved issues may result in loss of funding



THE TOP 12 MONITORING / COMPLIANCE FINDINGS

1. Project Director not fully engaged in grant project
2. Goals and objectives are not being met
3. Untimely submission of reports
4. Lack of documentation on deposit records and invoices such as the grant number or other unique grant identifier
5. Project Director has not reviewed invoices or signed off on the invoices with his/her signature and an approval date
6. Inadequate monitoring of contractors/vendors

TOP 12 MONITORING / COMPLIANCE FINDINGS CONT....

7. Inadequate time and effort records (time sheets)
8. Inaccurate reports
9. Commingling of funds - Funds for each award MUST BE accounted for separately from other grants and other funding sources
10. Excess cash on hand
11. Unallowable costs
12. Inappropriate changes to the budget, and/or scope of original approved goals and objectives

What Questions Do you Have?

- All questions will be placed on the DCJ/OAJJA website after today's training.



FEEDBACK AND QUESTIONS

Who to call after today:

DCJ Grant Program Managers:

Danica Brown	(303) 239-4416
Bruce Langsdon	(303) 239-4567
Kenya Lyons	(303) 239-4475

Financial Matters:

Cindy Johnson	(303) 239-4443
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OAJJA Program Manager:

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Thank you for your time!