



*Agency of Human Services
Department for Children & Families*

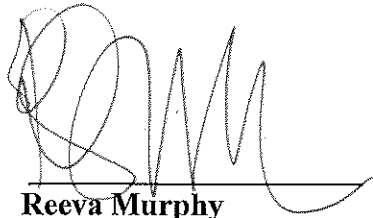
Child Development Division's

Programmatic & Financial Grant Monitoring Procedures

Effective October 1, 2018

CDD Programmatic and Financial Monitoring Procedures

SIGNED BY:

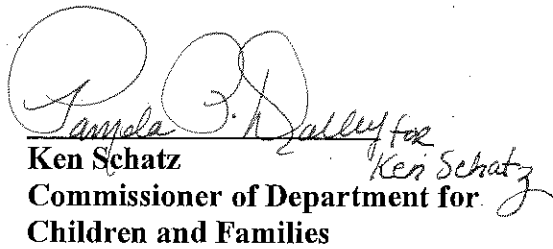


**Reeva Murphy
Deputy Commissioner
Child Development Division**

9/28/18

Dated

APPROVED BY:



**Ken Schatz
Commissioner of Department for
Children and Families**

9/28/18

Dated

Contact Information: Tim Cutler, Director of Operations, AHS/DCF/CDD

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Section I

Monitoring Overview

A. FEDERAL REQUIREMENT

PART 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS, 200.328 Monitoring and reporting program performance. Monitoring by the non-Federal entity [State]. The non-Federal entity [State] is responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity [State] must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved. Monitoring by the non-Federal entity [State] must cover each program, function or activity. See also §200.331 Requirements for pass-through entities.

B. STATE POLICY

Bulletin 5, Section VIII: Grantors must monitor their grantees' use of the funds associated with grant agreements for the purpose of ensuring that grants are spent for their intended purpose, that the terms and conditions of the agreement are met, and that the grant is executed by the grantee in accordance with state and federal regulations. When grant agreements contain Federal funds, additional monitoring requirements exist.

Vermont Agency of Human Services, Grant Issuance and Monitoring Plan. As a procedure, the grant manager or designee must maintain written procedures, forms, documents, and checklists detailing the monitoring activities employed and what areas are covered.

C. CDD GRANT MONITORING PROCEDURES

Pre-award risk assessment will determine level of appropriate monitoring prior to award execution. During the award, performance factors including timely financial and progress reports and satisfactory programmatic performance may affect the level of monitoring needed. CDD staff will perform the following monitoring activities as required by the Uniform Guidance:

- Review of financial and programmatic reports submitted by grantees;
- Issue a Final Monitoring Review Letter documenting findings pertaining to the Federal award provided to the grantee from CDD;
- Follow-up to ensure that the grantee takes timely and appropriate action on all findings pertaining to the Federal award provided to the grantee from CDD detected through desk monitoring, audits as available, on-site reviews, and other means;
- Verify that every grantee that requires a single audit is audited in accordance with OMB Circular A-133 or Uniform Guidance Subpart F, whichever is applicable;

- Consider whether the results of the grantee’s audits, desk monitoring, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to CDD’s own records;
- Consider taking enforcement action against noncompliant grantees.

Grantees who receive a medium or high-risk rating are subject to an on-site visit to assess programmatic and financial processes that meet state and federal requirements. At a minimum, medium risk grantees will receive at least one visit during the grant cycle, and high-risk grantees will receive annual site visits. CDD renews various grants on an annual basis either through an amendment or a new subaward. Medium risk grantees who receive these types of awards may only receive a site visit once every three years.

D. DEFINITIONS

For purposes of this document the following definitions of terms apply:

- **Child Development Division (CDD)** means the pass-through entity in receipt of a federal grant that it distributes to grantees.
- **Grantee** means a recipient of state and or federal funds. The term sub-recipient is used when the grant includes Federal Funds.
- **Grant cycle** pertains to a competed grant that is re-issued annually to the same grantees. The grant cycle is the number of years that the grant is re-issued before re-competition.
- **Monitoring** means a comprehensive approach to ensuring compliance with Federal and State performance goals, administrative standards, financial requirements and Federal regulations governing the program, including reviewing, assessing, evaluating, and improving the quality and types of services provided by grantee to the State of Vermont, Department for Children and Families.

E. GUIDING PRINCIPLES FOR MONITORING

- **Mutual Respect** – In working with community partners, stakeholders, staff, and consultants, CDD recognizes and will value the unique knowledge, ability, and independence of each person. We are committed to treating all persons fairly and maintaining credibility by matching actions with words.
- **Open Communication** – Effective communication is key in facilitating good working relationships amongst partners, and CDD is committed to keeping lines of communication open. The purpose of our communications is to assist in developing solutions to problems, to share program improvement ideas, and to provide information on new developments.
- **Joint Problem Solving** – CDD believes that a team approach to problem solving is in the best interest of all parties involved. We sincerely believe that collectively CDD and our community partners can arrive at the best solution to any situation. Through a team approach to problem solving, we can come up with the best strategies for program development, conflict resolution, and compliance issues. CDD wants to promote an environment in which our staff and all our community action partners will be open to change and can work together in exploring options and developing mutually agreeable solutions. The goal

is to have agencies function independently but with CDD support in an effort to meet the needs of local communities within the parameters established by legislation or rule.

F. MONITORING METHODOLOGY

The CDD Contracts and Grants Team, in collaboration with individual Program Managers (PM), performs a pre-award risk assessment on every grantee, using a consistent AHS approved risk assessment tool and criteria, which informs the method and frequency of monitoring implemented for each grantee. Grantees are assessed into three risk categories; high, medium or low. The minimum method and frequency of monitoring based on the level of risk is as follows:

- Low – Documented review of progress and financial reports submitted in accordance with the terms and conditions of the grant.
- Medium – Same requirements as “Low” above AND, a minimum of one on-site inspection performed by the CDD PM during the grant cycle following the procedures outlined in the Vermont AHS’s grantee monitoring plan. Additional on-site inspections may be performed based on the length, complexity and/or value of the grant.
- High – Same requirements as “Low” above AND, a minimum of one on-site inspection performed by the CDD PM annually following the procedures according to the requirements of the Vermont AHS Grant Issuance and Monitoring Plan.

CDD’s assigned Program Manager (PM) is the key contact person between CDD and the grantee. The PM performs ongoing monitoring through desktop reviews of the agency’s periodic requests for reimbursement and program performance reports. Any problem encountered by the grantee should be addressed with the PM.

For grantees who are determined as medium or high risk, on-site programmatic and fiscal monitoring will be conducted by the PM and a member of the Contracts and Grants Team in CDD Operations in addition to ongoing desktop reviews. On-site monitoring may also be implemented or increased based on concerns identified through desk-top reviews. On-site monitoring will utilize tools, checklists, and guides created by the Contracts and Grants Team.

G. CDD ON-SITE MONITORING TOOLS

CDD’s Pre-Visit Questionnaire and Internal Control Questionnaire. These are emailed to grantees at least four weeks in advance of an on-site visit. The Contracts and Grants Team representative will confirm that the documents are received and provide guidance on providing requested information in an appropriate format as needed. The grantee will respond to provide requested information at least 10 business days in advance of the visit, allowing the PM and the Contracts & Grants Team representative an opportunity to review the information before the on-site visit and customize the review and site visit plan. An electronic version of these tools has been developed to facilitate grantee response.

Section II

CDD Procedures for On-Site Reviews

A. PLANNING THE ON-SITE VISIT

Notify the grantee agency contact by telephone and email at least 20 business days in advance of a planned visit. Work with the grantee's primary contact to select the specific date and time for the visit and to develop an agenda that serves the needs of all parties. Ensure that the authorized representative of the agency or program who signed the grant agreement, if this is not the primary contact, is also informed of the on-site visit at this time. Ask the agency to prepare an electronic or physical file of documents required for review. Ensure the grantee understands the importance of providing all requested information to CDD at least 10 business days in advance of the scheduled visit.

B. SEND NOTIFICATION LETTER WITH APPROPRIATE ENCLOSURES

At least 20 business days in advance of the confirmed visit, the PM will send the following to the primary contact and authorized representative of the grantee agency or program:

- Notification letter (template attached as Appendix 1)
- Appropriate attachments detailing specific documentation requested appropriate to the grant
- Pre-visit Questionnaire
- Internal Controls Questionnaire

The Contracts and Grants Team representative assigned to the on-site monitoring will confirm that the documents have been received and provide guidance on providing requested information in an appropriate format as needed.

C. COLLECT AND VERIFY RECEIPT DOCUMENTATION REQUESTED

Ten business days prior to the confirmed visit, the Grants and Contracts Team representative will check for and confirm receipt of the completed Pre-visit Questionnaire, Internal Controls Questionnaire, and other requested documentation and consult with the PM for review of all documents prior to the on-site visit.

The PM and Grants and Contracts Team representative will work with the grantee to ensure that all information needed for on-site monitoring has been provided or will be available on-site as appropriate.

The PM and Grants and Contracts Team representative will prepare a final agenda for the on-site visit and email this to the primary contact and authorized representative of the grantee agency or program at least 5 business days prior to the scheduled visit.

D. REVIEW OF MONITORING DOCUMENTS AND MATERIALS:

In the week prior to the scheduled on-site monitoring visits, the PM and the Contracts and Grants Team representative will review materials in the agency's contract file and submission relevant to the on-site monitoring including:

- Grant agreement and any amendments particularly;
 - Work Plan/Scope of Work
 - Approved budget by categories
- Program Performance and Financial reports;
 - Note timeliness and completeness of submission of required reports
 - Note data documenting performance in accord with agreed upon measures
- Any previous site visit reports including CDD results and any follow-up documentation requested and received
- Agency's most recent independent audit report and any other relevant monitoring or performance information.

The PM and Grants and Contracts Team representative will gather and organize all forms, instruments, and other information needed to successfully conduct the site visit, such as monitoring tools, questionnaires, supporting documents and any other available programmatic information.

E. ON-SITE VISIT AND EXIT CONFERENCE

The PM and Grants and Contracts Team representative will follow the planned agenda, adjusted on-site as needed for any unforeseen contingencies or events, and conduct the visit in accord with Guiding Principles described in Section I.

The purpose of on-site monitoring including preparation and follow up is to for CDD to conduct a comprehensive review of the grantee's operations and performance on the grant. Throughout both the programmatic and financial review process there should be ongoing, open communication with the grantee's staff and leadership to facilitate clarification of facts and prevent misunderstandings, provide the

reviewer with a full understanding of the grantee's operations, and provide the grantee with a full understanding of the monitoring process.

CDD staff will ground observations and conclusions in fact, based on what they hear, observe or read. CDD reviewers will document relevant details of the grantee agency/program's activities and performance during the on-site visits, including taking notes while interviewing agency/program staff.

Preliminary areas of noncompliance will be summarized and discussed with grantee staff during the exit conference including the designated primary contact and authorized representative. Copies of specific documents, supporting schedules, and reports obtained during the site visit to facilitate preparation of the report will be discussed during the exit conference. The grantee will be given the opportunity to provide comments and present additional information or explanation regarding a specific finding before it is included in the report.

F. FINAL MONITORING REVIEW LETTER

The CDD PM and Contracts and Grants Team representative that conducted the on-site monitoring visit will submit a report back to the grantee within 20 business days after the monitoring or assessment is complete with review and approval from the responsible CDD Director. Commendations, recommendations, areas of non-compliance and requirements for corrective action (if needed) will be included.

Each area of noncompliance will be identified by a topic line and include a brief description of how the grantee is out of compliance with a performance or program requirement or standard. A brief description will be provided for each area of non-compliance. Each noted area of non-compliance must be presented in a logical manner, with reference to supporting evidence and without ambiguity of meaning or confusion of terminology. The specific program requirement, OMB Circular reference, or other regulation should be cited, along with a clear explanation as to why the evidence gathered leads the CDD review team to conclude that the grantee is not in compliance.

The grantee is required to respond in writing to each of the areas of non-compliance mentioned in the report, including a detailed plan for taking corrective action and or assistance that is needed. The grantee's response is due within 10 business days after receipt of CDD's monitoring report. The grantee's plan for resolution and corrective action will be reviewed by CDD staff to ensure that all deficiencies have been adequately addressed and that an acceptable corrective action plan is included as required. The report will include specific timelines for any required and agreed upon corrective action.

The CDD Staff will review the agency's prescribed corrective action and will approve it or request revisions. If revisions are requested, the CDD PM and primary contact for the grantee agency /program will discuss and plan different and more appropriate corrective action and/or training. The grantee is responsible for drafting a new corrective action plan(s) and submitting it to CDD for final approval. After receiving revised plan(s), CDD will respond with approval or changes if needed to the grantee within 10 business days.

The PM and Grants and Contracts Team representative will follow up to ensure that any corrective action requirements are met within jointly determined timelines and documented completion of corrective action and on-going monitoring in accord with the post-visit Risk Assessment in the grant file.

G. APPENDICES

Appendices are templates of on-site monitoring tools and documents that need to be customized for each specific grant type by the PM in consultation with the Contracts and Grants Team and approved by the Director of Operations in preparation for each on-site monitoring visits.

- Appendix 1: Template for Notification Letter and Attachments
- Appendix 2: Template for Pre-visit Questionnaire
- Appendix 3: Guides to Interview Questions During On-Site Visit and Monitoring Summary to Guide Exit Interview
- Appendix 4: Template for Final Monitoring Review Letter
- Appendix 5: Post-Visit Monitoring Risk Assessment

Appendix 1: Template for Notification Letter and Attachments

Department for Children and Families
Child Development Division
280 State Drive
Waterbury, VT 05671-104

Agency of Human Services

[phone] 802-241-3110
[toll free] 800-649-2642

<http://dcf.vermont.gov/cdd>

[ON-SITE MONITORING VISIT NOTIFICATION LETTER TEMPLATE]

[Date]

[Contract Person]

[Agency] [Mailing Address]

[City, State & Zip Code]

Re: **On-Site Monitoring Visit Notification Letter, Agreement # [insert agreement #]**

Dear **[insert name OF PRIMARY CONTACT]**:

The Child Development Division (CDD) will be conducting an on-site monitoring visit with your agency regarding the **[insert grant program title]** for **fiscal year [insert FY]**. The visit is scheduled for **[Month Day, Year]**. We appreciate your cooperation and partnership in the CDD efforts to maintain quality services and standards.

Attached to this letter you will find the following documents:

- A Pre-visit Monitoring Questionnaire.
- List of the organizational standards and related documentation you should have ready for our review.
- List of other documentation to have ready for our review (these documents may be reviewed during or after the visit)

The Pre-visit Monitoring Questionnaire must be returned to our office no later than 10 business days prior to the scheduled monitoring visit.

This on-site visit should take **[insert anticipated time frame – dependent o size of organization and complexity of grants(s)]**. The purpose of this visit is to review and discuss the following areas relative to program compliance:

- Your agency's program performance relating to grant activities;
- Administration of grant requirements;
- Any technical assistance, or concerns and issues pertaining to grant activities;
- Financial management of grant funding; and
- Progress reports, performance data and other documents pertaining to the program.

We look forward to meeting with you, your staff, and board members you wish to be in attendance for this visit. Please feel free to call me if you have any questions or concerns regarding the monitoring process or on-site visit.

Sincerely,

[PROGRAM MANAGER]

Cc: [GRANTEE AUTHORIZED REPRESENTATIVE/EXECUTIVE DIRECTOR; CDD CONTRACTS AND GRANTS TEAM REPRESENTATIVE; DCF AUDIT MANAGER; CDD UNIT DIRECTOR]

Attachment A:

[list of specific organization policies, procedure and documents required for review specific to the grantee organization and grant]

For example:

- Copy of current and prior fiscal year financial statements
- Documentation of most recent report of an independent program and/or financial audit (as appropriate), and corrective action plans with accompanying descriptions of progress to date, if applicable;
- Documents related to any termination of federal or state funding in the last year;
- Organizational Chart; and
- Any program, financial or employee policies and procedures

For non-profits with a Board of Directors

Appendix 2: Template for Pre-visit Questionnaire

TEMPLATE FOR PRE-VISIT QUESTIONNAIRE

Agency: _____ Agreement Number: _____

Completed By: _____ Date: _____
Grant program _____

A-GENERAL INFORMATION

Number of Towns _____ and/or Regions _____ being served by agency/program?

List of Regions(s)/Towns where services are provided or where clients live:

Who handles responsibilities related to this grant program in your agency/program?

Indicate which population(s) your organization serves with grant funds (check all that apply):

- Young children (prenatal – age 8) and their families
- School age children and their families
- Early Care and Learning professionals
- School age program professionals

To the best of your knowledge, are any of the children and families you serve, or have served during this grant period, experiencing particular challenges? (check all that apply)

- Poverty
 - Homelessness
 - Incarceration
 - Non-English speaking
 - Seasonal work/Migration
 - Other
- _____
- _____

Indicate which Federal Objectives are being met through services supported by this grant program:

[Customize to the expressed objectives of the federal funding source]

Indicate which Federal Objectives are being met through services supported by this grant program:

[Customize to the expressed objectives of state grant program if different]

B-CLIENT FILES [include if applicable to grant activity]

a) Are client files complete, on-site, and available for inspection by CDD staff? []
 Y [] N

b) Do client files, at a minimum, contain the following documents and information:

_____ [Customize to the requirements related to this grant program]

C—PROGRAM OPERATIONS

a) Briefly describe, what is the agency’s current assessment of its progress towards accomplishing the objectives of its grant related programs as stated in the Application and Work Plan?

b) Please list any current Corrective Action Plans (CAP), Technical Assistant Plans (TAP), Quality Improvement Plans (QIP), or unresolved findings (UF) or compliance issues previously brought to the agency/program’s attention that are unresolved or have been resolved since the last monitoring visit. These may result from external monitoring or internal program/agency assessments your agency/program has conducted.

CAP, TAP, QIP, UF	Current Status	Time left to complete
Other Prescribed Corrective Action	Current Status	Prescribing Agency

- c) Does the agency have adequate staff assigned to administer the grant program activities effectively and efficiently?
- d) What skill gaps is the agency experiencing in its staff?
- e) Please provide one to two specific examples of how your agency/program and services you deliver are making a difference for the population(s) you serve.
- f) What services does your agency offer that are duplicated in the town(s) and/or region(s) you serve?
- g) What is the morale of the staff in your organization? How is morale measured? What is the staff turnover rate over the past 5 years ?
- h) Are all of the town(s)/region(s) in the agency's service area served equitably?

D-SUB-CONTRACTORS / SUB-GRANTEES

- a) Does the agency sub-contract for any of the grant program services provided?
 Y (if yes please answer the questions below) N (If no skip to the Agency Self-Assessment)
- b) How many sub-contracts has the agency entered into for the current grant program?
- c) Who handles the oversight responsibilities for the agency's subcontractors?
- d) Are contracts with all subcontractors available for review by CDD staff?..... Y N
- e) How often does the agency monitor its subcontractors?
- f) Briefly describe your agencies monitoring process for subcontractors (how often it occurs, what is monitored, and any significant findings):
Reference: grant Contract, Attachment B, Sec. 8; OMB A-133
- g) Does the agency require all subcontractors to submit periodic, detailed reports which provide information necessary for the agency to complete timely and accurate reports as required in its contract with SCSO?..... Y N

E- SUBCONTRACTOR MONITORING ASSESSMENT (ANSWER IF APPLICABLE)

If applicable, fill in the following requested information regarding monitoring or subcontractors.

Subcontractor Agency Name:
Subcontractor contact person:
Date of Last Monitoring:
Monitoring Type:
Monitoring Location: Frequency:

Subcontractor Agency Name:
Subcontractor contact person:
Date of Last Monitoring:
Monitoring Type:
Monitoring Location: Frequency:

Subcontractor Agency Name:
Subcontractor contact person:
Date of Last Monitoring:
Monitoring Type:
Monitoring Location: Frequency:

Add additional as needed

F- FINANCIAL MANAGEMENT

	Yes	No	N/A	Documentation/Comments
1. Is this grant large in terms of percentage of overall funding for your agency/program?				
2. How are financial decisions made about budget and expenditures?				

3. Has your agency/program drawn down grant funds on the schedule described in Attachment X of the agreement?				
4. Are there variations between expenditures and the original budget?				
5. Has your agency/program returned or anticipate returning significant unspent funds?				
6. As of the date of this monitoring, how far into the current contracting period is the agency?				
7. Is the agency on track to draw down the remaining balance of the award within this contract period?				
8. Is the agency comparing budgeted vs. Actual expenditures? How Frequently? (monthly is the Standard)				
9. Describe your agency/program's financial accounting system and internal controls, include written policies and procedures.				
10. Does you have a financial management system in place to track and record the program expenditures? (Example: QuickBooks, Visual Bookkeeper, Socrates Media, Peachtree or a Custom Proprietary System)				

11. Does your accounting system identify the receipts and expenditures of program funds separately for each award?				
12. Will the accounting system provide for the recording of expenditures for each award?				
13. Do you use a time and accounting system to track effort by cost objective?				
14. Are time distribution records (time studies) maintained for all employees when his/her effort cannot be specifically identified to a program cost objective? <i>If "No," do you have an approved alternative system to account for time distribution, and when was it approved?</i>				
15. Does the entity have an indirect cost rate that is approved and current?				

G- PROGRAM MANAGEMENT AND PARTNERSHIPS

PROGRAM OBJECTIVES	Yes	No	Comments
1. Is the agency on track to meet the goals and objectives stated in the application and Scope of Work by the end of the contract period?			
2. Is the agency fulfilling its responsibility to establish and maintain an effective internal oversight/supervision system to ensure that: appropriate goals and outcome measures are met; resources are appropriately distributed; and applicable rules and regulations are followed.			
3. Is the agency fulfilling its responsibility to use resources efficiently, economically, and effectively to achieve the purposes for which this grant was provided?			
4. Has the agency/program received any client complaints regarding services delivered under this grant?			
5. Are all client service locations and meetings accessible to persons with disabilities?			
6. Does the agency/program have in place an effective system for tracking and reporting performance measures required in the grant agreement?			

ORGANIZATIONAL PARTNERSHIPS	Comments
1. How is the agency partnering with other agencies in the community to strengthen services and provide a community- wide approach to address the needs of the population served?	
2. What are your strongest partnerships and what do they achieve?	

H. PERSONNEL MANAGEMENT [Include if there are personnel supported by this grant]

	Yes	No	Comments
1. How often does your agency/program conduct performance reviews of staff? When were the last reviews?			
2. How often is management/the executive team's performance reviewed? Who conducts these reviews? When were the last reviews?			
3. Is your agency/program's staff aware of the strategic plan and how their jobs contribute to fulfilling the plan?			
3. Is any staff other than the Executive Director involved in community partnerships and collaborations? Describe.			
4. Does your organization / Agency have and maintain the following personnel policies:			
Classification and pay plan			
Employee selection and appointment			
Conditions of employment and employee performance			
Employee benefits			

Personnel records and payroll procedures			
Job description for all positions			
Drug Free Work Place Policy			
Affirmative Action policy and plan / nondiscrimination policy			
Conflict of Interest Policy			
Equal Opportunity Policy			
Prohibit Political Activity or Lobbying			
Whistle Blower Protection			

Appendix 3: Guides to Interview Questions During On-Site Visit and Monitoring Summary to Guide Exit Interview

SUMMARY OF REVIEW OF CLIENT FILES (for Review Team use on site when reviewing client files)				
Address the following questions after reviewing a sampling of client files:	Yes	No	N/A	Comments
1. Did client files contain all required information and documentation?				
2. Did the review of the documentation indicate that the services have made a difference to clients?				
3. Is a client file maintained for each individual served?				
4. Are proper procedures in place for case management, and is adequate client information and follow-up documented?				
5. Does the agency link with other programs in the community when services required are beyond the agency's scope?				
6. Is the agency taking appropriate steps to ensure privacy and confidentiality of client information, such as secure files, confidentiality policies, private consultation space, etc.?				
7. Are client records maintained for at least three years?				

Potential interview questions for employees supported by the grant			
	Yes	No	Comments
1. Do you feel the programs are run efficiently?			
2. Are there any function and duties in the organization that you would describe as waste, or unnecessary?			
3. What is the mission of this organization?			
4. What are the objectives or outcomes your work is addressing?			
5. What does the organization do well?			
6. What, in the organization, would you change if you could?			
7. Do you usually perform the functions listed in your job description?			
8. What types of supervision do you receive?			
9. How often do supervision sessions occur?			

GENERAL FINANCIAL ASSESSMENT

	Yes	No	N/A	Comments
1. Is the entity new to operating or managing state and/or federal funds (has not done so within the past five years)?				
2. Is this program new for the entity (<i>managed for less than three years</i>)?				
3. Has there been high staff turnover or agency reorganization that affects this program?				
4. Are the staff assigned to the program inexperienced with the program (<i>worked with the program for less than two funding cycles</i>)?				
5. Has the entity been untimely in the submission of the following: a) applications; b) amendments; c) fiscal reporting; d) drawdowns; e) budgets/revisions.				
6. Has the entity been timely in responding to program/fiscal questions?				
7. Is the program unusually complex (e.g., program, funding, matching requirements)?				

8. Have any other entities (program offices, auditors, staff employed by the entity, etc.) alerted us of potential risk areas?				
9. Does the entity have effective procedures and controls?				

MONITORING/AUDIT ASSESSMENT

	Yes	No	N/A	Comments
1. Have more than last three funding cycles passed since the entity had an on-site monitoring visit?				
2. Were there findings/violations in the prior visit? <i>What were the number and extent of findings/violations in prior visit.</i>				
3. Has it been more than one year since the recipient received a single audit?				
4. If no, then were there findings? What were the number and extent of findings/violations in prior visit, and does the entity have a corrective action plan for correcting the finding?				
12. Other items of financial system assessment (entity-specific)				

<p>13. Previous unresolved corrective action:</p> <p>Date is should be resolved by:</p> <p>What is the current progress for this correction:</p> <p>What is the next step if it is unresolved:</p>	
--	--

SUMMARY OF ON-SITE MONITORING VISIT TO GUIDE EXIT INTERVIEW

Based on information obtained from desk audits, pre-visit preparation, a review of information provided in the pre-visit questionnaire, and interviews with various agency personnel, summarize/briefly describe any areas of non-compliance, training or technical assistance needs identified during the monitoring process:

Briefly describe any instance(s) of noncompliance / areas that require improvement and recommended corrective action with time frames and expected results:

How many areas of non-compliance were observed? . List them below:

From this visit, does the agency demonstrate that they are looking for new and better ways to do its work? Or is the agency still doing what it did five or more years ago?

Did agency staff involved in the on-site review demonstrate knowledge of program guidelines and procedures?

Appendix 4: Template for Final Monitoring Review Letter



Department for Children and Families
Child Development Division
280 State Drive
Waterbury, VT 05671-104

<http://def.vermont.gov/edd>

Agency of Human Services

[phone] 802-241-3110
[toll free] 800-649-2642

[FINAL ON-SITE MONITORING REVIEW LETTER TEMPLATE]

[Date]
[Contract Person]
[Agency] [Mailing Address]
[City, State & Zip Code]

Re: On-Site Monitoring Visit, Agreement # [insert agreement #]

Dear [insert name OF PRIMARY CONTACT]:

Dear [insert name],

I want to thank you and each of your staff for taking the time to meet with CDD representatives at [insert name of agency/program] regarding the above named program and contract. It is always a pleasure visiting community partners and hearing first-hand about the services that you provide. Thank you for your efforts and your time; it is greatly appreciated by CDD and the State of Vermont.

I want to commend and thank you for your hard work and diligence administering the above programs and striving to meet the requirements and standards of each one.

This letter contains an overview of the on-site monitoring visit that occurred on [insert date]. Below is a list of the strengths as well as any recommendations and/or areas of noncompliance found during monitoring. Each commendation, recommendation, and/or area of noncompliance is labeled with a topic line followed by a description and other supporting information as needed, such as corrective action plans, timelines, and expected outcomes.

If there are areas of noncompliance listed, the agency is required to respond, in writing, within 10 business days of receipt of this letter. If there are only strength related comments, the response needs to be an acknowledgement of receipt. If there are areas of noncompliance your response must also include the following:

- ✓ A copy and paste of the areas of non-compliance, as they are provided below; with an accompanying written statement of acceptance for each corrective action and the agency/program's plan to implement the prescribed corrective action plan(s), accompanied by a timeline and expected outcomes;
- ✓ If the agency disagrees with the findings, the agency needs to provide a detailed response with documentation to support their perspective.

If you have any questions regarding what is required, or if you need an extension on the 10 business days requirement, please contact me.

Please respond to any findings of non-compliance no later than [insert date]

Sincerely,



[PROGRAM MANAGER]

Cc: [GRANTEE AUTHORIZED REPRESENTATIVE/EXECUTIVE DIRECTOR; CDD CONTRACTS AND GRANTS TEAM REPRESENTATIVE; DCF AUDIT MANAGER; CDD UNIT DIRECTOR]

Findings Report

[Program #] – [Contract #]

Commendations

Subject Description	
Recommendations	

Subject Description Any action required	
Recommendations	

Areas of Non-compliance

Subject Description Corrective Action Plan Requirements Plan Description Date to be complete Date of follow up Responsible Party Required Documentation	
Recommendations	



Appendix 5: Post-Visit Monitoring Risk Assessment

State of Vermont Sample Monitoring Risk Assessment Matrix

Grantee Name:
Date:
Completed:
Completed by:

Criteria		Risk Level			Scoring: Low = 1 point; Moderate = 2 points, High = 3 points
		Low	Moderate	High	Comments/Instructions
PRE-AWARD RISK ASSESSMENT					
1		Rating assigned prior to award issuance			Enter the risk level assessed in the pre-award risk assessment. Monitoring during the award should be conducted at this level until such time as the granting agency feels it may be modified.
CURRENT PERFORMANCE					
2	Low = Moderate = High =	Progress reports are filed: Timely Usually on time Consistently late			Assess the grantee's compliance with timely progress reporting. If reports are not yet due, select Low.
3	Low = Moderate = High =	Progress is: Acceptable Slightly behind schedule Not started or significantly behind schedule			Assess the grantee's quality of progress to-date. If there are any concerns about the level of progress achieved, grantee should be ranked as moderate or high risk. If measurable progress is not yet due, select Low.
4	Low = Moderate = High =	Financial reports are filed: Timely Usually on time Consistently late			Assess the grantee's compliance with timely financial reporting, including requests for advances/reimbursements. If reports are not yet due, select Low.
5	Low = Moderate = High =	Quality of financial reporting is: Acceptable with no errors Minor, insignificant errors detected Significant or numerous errors detected			Assess the grantee's quality of financial reporting. If report(s) contain errors or are incomplete, grantee should be ranked moderate or high risk. If financial reports are not yet due, select Low.
OTHER MONITORING					
6	Low = Moderate = High =	Results of other monitoring activities: Excellent Acceptable or Improving Unsatisfactory			Assess other monitoring activities conducted such as verbal communication with the grantee or the results of on-site visits or audits. If a high-risk grantee has shown improvement, you may consider lowering the risk level to moderate, if appropriate.
OTHER CRITERIA					
7	Low = Moderate = High =	Staffing: No changes Minor staff changes Significant staff changes			Changes in key staffing may affect the success of the grant.
8	Other Risk Factors	Use judgment to assess other events that may affect the required level of monitoring. Such events may be: reports of mismanagement or fraud, review of audit reports, implementation of new systems such as new accounting or payroll systems, etc.			Assess any other factors that may affect the success of the grant. If no other factors are known, rank Low.
			0	0	0
Total Score			0		

NOTE: The scoring and monitoring activities below are EXAMPLES ONLY and they should be modified as needed

Scoring:

Assign 1 point for each Low ranking, 2 points for each Moderate ranking, and 3 points for each High ranking
 8-10 Points = Low Risk
 11-16 Points = Moderate Risk
 >16 Points = High Risk

Note: Judgment should be used in making the final assessment and a single High-Risk ranking may designate the grant as high-risk, regardless of total score. For instance, significant staff changes may adversely affect grant performance and may require more frequent hands-on monitoring even if all other factors are low risk.

Sample monitoring activities for each risk level	
Low	Low risk grantees will have a quarterly desk review of financial and programmatic reports - backup documentation may be required.
Moderate	At a minimum, medium risk grantee will receive at least one visit during the grant term, and high-risk grantees are subject to annual site visits. CDD renews various grants on an annual basis either through an amendment or a new subaward. Medium risk grantees who receive these types of awards may only receive a site visit once every three years.
High	High risk grantees will be paid on a reimbursement basis and will have at least one site visit during the award period. They may also have an audit conducted either an external audit or one conducted by the granting agency.