



Cal OES
GOVERNOR'S OFFICE
OF EMERGENCY SERVICES

Overview of the Financial Accountability & Compliance

GRANTS MONITORING BRANCH

Overview

- **Grants Monitoring Branch**
- **Compliance Review Process**
- **Areas to be Reviewed**

Grants Monitoring Branch

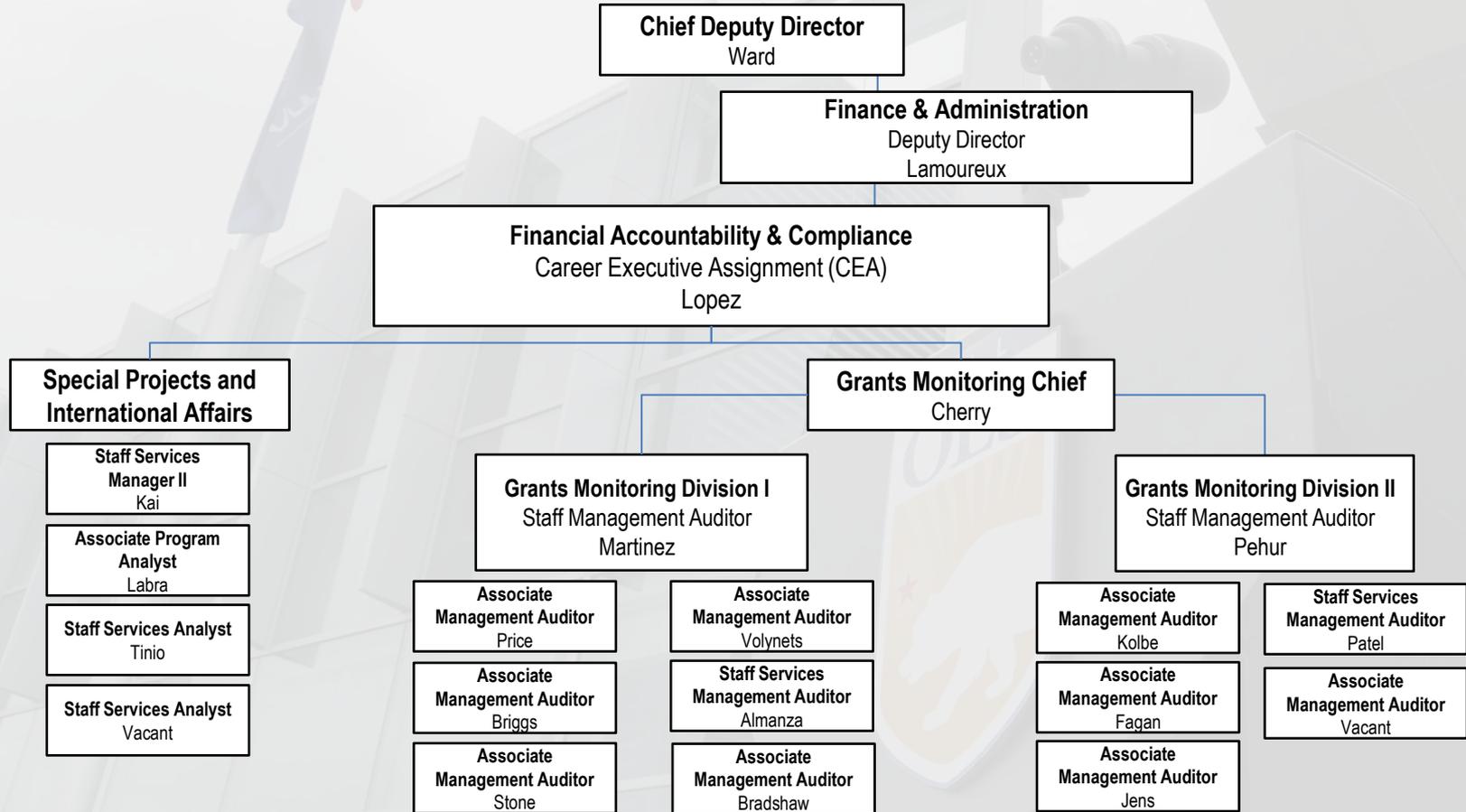
Mission and Vision

Provide technical assistance to ensure compliance with the Code of Federal Regulations and State rules and regulations.

- **Overall Goals:**
 - ✓ Identify areas that need improvement
 - ✓ Provide recommendations for improvement and compliance
 - ✓ Assist with Corrective Action Plans as needed
 - ✓ Minimize Disallowed Costs
- **Technical Resource**

GRANTS MONITORING BRANCH

Financial Accountability & Compliance Section





Grants Monitoring Branch

COMPLIANCE REVIEW PROCESS

Compliance Review Process

Grants Monitoring - Part I of III

- Engagement Letter
- Request for Documents
- Questionnaire

EDMUND G. BROWN, JR.
GOVERNOR



MARK S. GHILARDUCCI
DIRECTOR

July 8, 2016

Ms. Rita O'Brien
Executive Director
Community Solutions for Children, Families, and Individuals, Inc.
9011 Markey Avenue Suite 100
Gilroy, CA 95020

SUBJECT: Notice of Compliance Field Review
Compliance Field Review #16-2303
FIPS #069-90500
Domestic Violence Assistance Program, Grant Award No. DV15071043
Rape Crisis Program, Grant Award No. RC15181043, RC15291043
Domestic Violence Response Team Program, Grant Award No. VA15021043
Unserviced/Unserviced Victim Advocacy and Outreach Program, Grant Award No. XV15011043

Dear Ms. O'Brien:

The California Governor's Office of Emergency Services (Cal OES) will be conducting a review of your organization's grant processes and documentation related to the above subject grant(s). The purpose of the visit is to ensure your organization has complied with applicable state and federal regulations and guidelines.

The field review has been set for August 8, 2016, through August 12, 2016. In order to complete the review timely, please submit all requested electronic documents by the due date, and have all other requested documents available for review when we arrive on site. Please have all personnel responsible for the grants available during the site visit to provide information as necessary. To assist you in preparing for our visit, we have attached a document request list.

We plan to begin our visit with an entrance conference at 10:30 a.m. on August 8, 2016, and would like to request that in addition to yourself, the Chief Financial Officer for your organization is also present. An informal exit conference will be held at the conclusion of our visit, at which time we will discuss the preliminary results of the review.

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GRANTS MONITORING
(916) 845-8120 • (916) 845-8397 FAX

Compliance Review Process

Grants Monitoring - Part II of III

- **Field Work**
- **Entrance Conference**
- **Exit Conference**
- **Compliance Review Report**
 - Findings
 - Recommendations
 - Questioned Cost
 - Disallowed Costs
- **Corrective Action Plan (CAP)**

Compliance Review Process

Grants Monitoring - Definitions

What is a Finding?

A finding is an operational deficiency in internal controls; noncompliance with provisions of laws, regulations, contracts, or grants agreements; or fraud, waste and abuse.

Advisory Recommendation

Advisory recommendations are given when we identify areas of concern that do not rise to the level of a finding but may result in future non-compliance and a finding if they are not addressed.

Criteria/Recommendation

Compliance Review Process

Grants Monitoring - Definitions

What is a Questioned Cost?

A questioned cost can result from:

- Violation or possible violation of a statute, regulation or the terms and conditions of a Federal grant award.
- A cost not supported by adequate documentation.
- Unreasonable charge to the grant.

Compliance Review Process

Grants Monitoring - Definitions

What is a Disallowed Cost?

A disallowed cost is a charge that the pass-through entity determines to be unallowable according to the CFR. Some examples of disallowed costs can be the purchase of alcohol, lobbying, or costs pertaining to waste, fraud and abuse.

Compliance Review Process

Grants Monitoring – Part III

- Field Work
- Exit Conference
- Compliance Review Report
 - Findings
 - Recommendations
 - Questioned Cost
 - Disallowed Costs
- Corrective Action Plan (CAP)

Subrecipient Corrective Action Plan

Submit an original and one copy of a “**Subrecipient Corrective Action Plan**” to the California Governor’s Office of Emergency Services (Cal OES) by no later than 30 days following the date of the Compliance Review Report issued by Cal OES Grants Monitoring, for the following grant(s):

Subrecipient:	
Grant/Disaster #:	
FIPS #:	

For each review “Finding”, please provide the following information (use more paper if necessary):

Finding: <i>(please include any identifiers included in the report, along with citations as appropriate)</i>	
Contact Name & Title: <i>(this is the person(s) responsible for completing resolved or planned corrective action)</i>	Contact Information: <i>(please provide phone number and e-mail address for each contact)</i>
Corrective Action(s): <i>(include specific objectives and activities completed or planned to address the Finding, with actual or estimated dates)</i>	
Objective or Activity:	Date:

Required Signature: The S/R authorized agent certifies that all corrective action(s) have been, or will be, implemented as specified:

Signature of Authorized Agent _____ Date _____ Telephone _____

Name and Title of Authorized Agent

Appeals Process

2 CFR Part 200, Subpart F (Section 200.500)

- **Compliance Review Report Issued**
- **30 days to challenge findings**
- **30 days to appeal denied challenge**

The background is a low-angle, slightly desaturated photograph of a modern building with large glass windows. A flag is visible on the left, and a sign with a bear logo is on the right. The overall tone is professional and official.

Grants Monitoring Branch

AREAS TO BE REVIEWED



OMB Super Circular

Consolidation of Eight Circulars

- Grants Management A-89, A-102, A-110
- Cost Principles A-21, A-87, A-122
- Audit A-133

Super Circular

2 CFR Part 200

Effective Dec. 26, 2014

Areas to be Reviewed

- Expenditures
- Payroll
- Equipment
- Procurement
- Contracts

Areas to be Reviewed

Expenditures

- Allowable
- Necessary and reasonable
- Adequately documented
- Occurred during the period of availability
- Paid prior to requesting reimbursement

Areas to be Reviewed

Payroll

- Functional Timesheets are Utilized
 - ✓ *Administrative tasks, planning, fundraising, subrecipient monitoring, equipment/inventory, procurement.*
- Allocated according to actual hours worked on grant related activities
 - ✓ *Cannot be based on budget*
- Approved pay rates

Areas to be Reviewed

Equipment

- Inventory conducted at least once every two years
 - ✓ *Documentation must be signed by individual conducting the inventory*
- Equipment records contain all required elements
 - ✓ *Most common element missing is the % of federal funds used in the purchase*
- Physical inspection of selected equipment

Areas to be Reviewed

Procurement

- Procurement procedures
- Bids/quotes
- Suspension/debarment
- Cost/Price analysis
- Sole source
- Documents to support compliance

Areas to be Reviewed

Contracts

- Prepared and signed
- Contain all required provisions
- Suspension/debarment



Cal OES

GOVERNOR'S OFFICE
OF EMERGENCY SERVICES

Contact Information

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Questions?