

BEST MANAGEMENT PRACTICES

Topic Area: Financial and Program Monitoring



Summary of Best Management Practice:

The Wisconsin Office of Justice Assistance has developed guides and tools to assist staff in conducting financial and program monitoring from the office and on-site. (See attached).

Critical Elements:

- Grant compliance assessment
- Office-based monitoring
- Site-based monitoring
- Monitoring checklist

Full Description:

The policy guidance and tools prepared by the Wisconsin Office of Justice Assistance enables SAA staff to plan for and conduct comprehensive compliance monitoring of subawards. The OJA Homeland Security Compliance Monitoring Program Protocol takes the staff members through a step by step process to review critical subgrantee documents that should be contained in the SAA file; conduct office-based monitoring of both financial and program aspects of the grant; perform on-site monitoring; and prepare post monitoring correspondence and reports. In addition, the protocol contains a monitoring checklist that focuses on determining compliance with financial and programmatic requirements.

Unique or Special Statutes Involved:

None

How long practiced:

2003

Estimated Cost for Implementation:

NA

Jurisdiction:

State of Wisconsin

Point of Contact:

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STATE OF WISCONSIN OFFICE OF JUSTICE ASSISTANCE



JIM DOYLE, GOVERNOR

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OJA Homeland Security Compliance Monitoring Program Protocol

I. Purpose

State and local agency homeland security strategies must be monitored in order to track the progress of agencies against their strategies, track the support OJA is providing to local and state agencies for implementation of their strategies, and to determine whether planning, equipment, exercise, administrative, and training grant funds are being obligated and expended in accordance with Office of Justice Assistance (OJA) and Office of Domestic Preparedness (ODP) guidelines, program office grant guidelines, and special conditions. Monitoring will provide a comprehensive picture of how WMD preparedness and response capabilities are increasing statewide, and will also allow OJA to ensure it is providing its resources and support to local and state agencies in an efficient and effective manner.

The monitoring of local and state agency homeland security strategies encompasses two main areas: grant monitoring of planning, equipment, exercise, administrative, and training funds; and programmatic monitoring of an agencies progress against its own strategy, to include monitoring of the agencies needs. To perform grant monitoring, OJA's Field Operations Manager will be responsible for assessing grantees' general use of grant funds and compliance with ODP and OJA guidelines for planning, equipment, exercise, administrative, and training funds provided to local and state agencies by OJA. OJA will verify each agencies equipments purchases, check the exact location of the equipment and any training records that indicate proficiency in the use of that equipment. To perform programmatic monitoring, the Homeland Security Filed Operations Manager will be responsible for assessing how OJA-Homeland Security resources, including grants, training, direct exercise contractor support, and technical assistance support are enhancing WMD preparedness and response capabilities on a local level within the state.

Grant and programmatic monitoring will be completed by two methods: office-based monitoring and on-site monitoring. Monitoring will assist in identifying areas where a local



and/or state agency requires continued support, and will also provide feedback to OJA that can be used to improve our services. Both forms of monitoring will require written documentation to be completed by OJA Filed representatives, and circulated through appropriate OJA-HS and DHS channels. ***Prior to completing any monitoring effort, it is important to review other recent monitoring activities, including grant close-out progress, the type of Grant and the grants data base.***

II. Office-Based Monitoring

Office-based monitoring entails a review of the local or state grant and state strategy grant files to ensure that all documentation is complete and up-to-date, and that any apparent problems are addressed. The majority of monitoring will occur via file review and phone/e-mail contact with the individual agency. The grant file should include the original application, approval package, required program and financial status reports, and any previous monitoring documentation, if applicable. If the grantee has received more than one equipment grant, all grants should be reviewed and monitored at the same time.

A. Review of file

Grant Monitoring

Using the *Office-Based Monitoring Checklist* to record information, the Filed representative should be familiarized with the agency grant file and/or grants data base which contains the following information:

- Copy of the original approved application and accompanying documentation submitted by the grantee
- Copy of the award document and special conditions signed by the grantee
- Copy of the Grant Specialist's Memorandum for the grant award
- Documentation on grant monitoring activities and reports
- Up-to-date Quarterly Financial Reports
- Up-to date copies of purchase orders (PO's)
- Copies of official OJA-processed Grant Adjustment Notices (GANs) or extensions
- Copies of requested changes & approval

If multiple grants are being monitored with a single grantee, a separate checklist should be used to record information for each grant.

The Field representative should determine whether any progress reports, financial status reports and purchase orders submitted are current and cover the entire grant program awarded to an agency. If progress reports, financial



reports and/or written documentation are found to be inadequate, the monitor will advise the grantee during the monitoring telephone call and notify the Homeland Security Field Operations Manager. The Homeland Security Director will then be notified.

The financial documentation and purchase orders will reflect the amount of money the grantee has obligated and drawn down, providing an indication of activity with grant funds. The lack of any obligations or draw-downs indicates possible inactivity, which should be discussed during the telephone call with the grantee. The Program Manager should also contact the Program Planning Analyst (PPA) and discuss the grantee's most recent official draw down figures. The amount of funds drawn down should not exceed the total obligations and expenditures reported by the grantee. If excess funds have been drawn down and retained by the state or local jurisdictions, this issue must be addressed during the telephone conversation. In this case, the grantee may be required to return funds to OJA.

The Filed representative should also review the special conditions in the award and determine if there are any that should be retired. After all file documentation has been reviewed, the monitor should thoroughly assess the grantee's equipment purchases and the type, model etc... of equipment.

B. Contact Grantee Via Telephone

Grant Monitoring

If there are outstanding special conditions that are delaying or otherwise affecting grant fund obligations and expenditures, these issues should be addressed at the beginning of the conversation. If planning funds have been obligated/expended, the Field Representative should ask for a general description about how those funds have been used. It is also useful to ask if equipment has been dispersed to other jurisdictions, and if so, where is it located. If the agency is purchasing the equipment, they should be able to readily provide accurate estimates of the amounts of equipment received, ordered, any pending order and the location of that equipment.

Programmatic Monitoring

The Program Manager should then discuss any issues or points identified during office-based monitoring. The Filed Representative should inquire about the agencies progress against its goals, objectives, action items, requirements and timeline in the context of the agencies equipment, training, exercise, and research and development needs. Has equipment purchased by the agency from OJA-Homeland Security grant funding been deployed? Is additional training required for responders to utilize that equipment? Ensure that the agency strategy has an established evaluation plan and that they are following that plan. How are they monitoring the progress of their domestic preparedness programs?



Additional questions to ask may include: Have any goals or priorities changed? Is the agency on schedule with training and exercise planning and execution? (Are these accomplishments in line with the state strategy and the HSSSP developed by the state and approved by ODP?) What other new WMD-related initiatives are occurring in local jurisdictions? The Field Representative should also ask about any specific problems the grantee may be having with the grants procedure and inform them that OJA can be contacted at any time to assist in any areas of the grant process.

If the monitoring process reveals potential discrepancies or questionable activities, the Field Representative should inform the Field Operations Manager immediately, who will discuss the issues with the Homeland Security Director and/or the OJA Director.

C. Memorandum

Within ten days of monitoring, the Field Representative shall submit a detailed written report utilizing the OJA-Homeland Security report form detailing the highlights of the phone conversation. This report should be circulated through the appropriate channels within OJA. A copy of the *Office-Based Monitoring Checklist* should be attached. If the grantee has received more than one grant, a single report should be used to describe the monitoring activities of all the grants, but the narrative should clearly explain the financial and programmatic issues addressed for each grant. The written report should reflect any notice given to the grantee of delinquent reports, failure to submit proper documentation, purchase orders and any discussion of outstanding special conditions, and include a brief synopsis of equipment, training, exercise, and technical assistance activities. All written reports shall be turned into the Filed Operations manager.

Additionally, if the grantee noted any problems or issues regarding implementation of any area of the program, the Program Manager should note what steps the grantee and/or Program Manager are taking to resolve the issue(s). After the report has been approved, the Program Manager must place a copy in the grant file.

III. On-Site Monitoring

The Homeland Security Field Operations Manager and Field Representatives will work closely with the Program Planning Analysts to conduct on-site monitoring visits to each local grantee in all of Wisconsin's counties every grant cycle. The homeland security grants will be 100% monitored for compliance. Before scheduling an on-site visit, the Field Operations Manger should review the list of visits planned and coordinate internally with others to maximize efficiency.



A. Pre-Visit Review of Records

As with office-based reviews, pre-visit monitoring begins with a review of the grant file and grants data base to ensure that all documentation is examined and the persons monitoring an agency have a thorough understanding of what it is they are looking for, equipment types etc.. Notations of any apparent problems should be made in preparation for the visit.

Grant Monitoring

Using the *Office-Based Monitoring Checklist/report form* the Field Representative should read the contents of the grant file which contains all necessary documentation. If the grantee has received more than one equipment grant, all grants should be monitored during the visit. In this case, a separate checklist for each grant should be used.

The financial reports in the file reflect the amount of money the grantee has obligated and expended, providing an indication of activity with grant funds. The lack of any obligations or draw downs indicates possible inactivity, which should be discussed during the monitoring visit. The Field Representative should ensure that official copies of all extensions granted are in the office grant file. The Field Rep. should review the special conditions in the award and determine if there are any that should be retired and review any changes made to the original applications. In preparation for the visit, the Field Rep. should also review the state homeland security strategy and the grantee's equipment and planning budgets submitted with the application in the context of the State Homeland Security Strategic Plan (HSSSP).

B. Contact Grantee

The Field Operations Manager will then contact the grantee in writing indicating their agency has been selected for a field site visit. An OJA representative will call 4-5 days prior to a visit to establish an exact time to meet and provide basic information about what the visit will entail. The Field Rep. should e-mail or fax a *Pre-Visit Monitoring Memo* following up on the phone conversation, providing specifics about the monitoring visit and requesting information and documentation as appropriate. It is best to request that the grantee provide delinquent progress and financial reports to the Field Rep. prior to the visit.

Additionally, during the telephone conversation the Field Rep. should gather information about equipment procurement. The grantee may be asked to provide a recent summary of equipment fund expenditures, obligations, and



pending obligations (unobligated funds) by jurisdiction. (Prior to requesting this information from the grantee, review all files and grant tracking spreadsheets prepared by OJA. Whether sub-granting or procuring equipment at the state level, the state agency should keep such records for reporting purposes to OJA). Similarly, the monitor should gather information on expenditures toward other programs covered by each grant (exercises, administrative, training, and/or planning).

After the Program Manager receives the summary, the figures should be compared to the draw down amounts received from the agency. The amount of funds drawn down should not exceed the total obligations and expenditures reported by the grantee. If excess funds have been drawn down and retained by the state agency or local jurisdictions, this issue must be addressed during the visit. In this case, the grantee may be required to return funds to the OJA.

If the grantee is procuring equipment at the state level and notes significant changes from the original equipment request, or if the amount to sub-grantees is being re-allocated, the Field Rep. should gather that information prior to the visit. The grantee needs to be reminded that all equipment changes and sub-grant re-allocations should be provided to OJA for approval before the changes and re-allocations are executed. If deviations from the original equipment lists or sub-grant allocations have occurred without OJA approval, the changes and re-allocations should be explained by the grantee during the visit, and noted on the *Monitoring Visit Field Report*. Any unallowable purchases must be addressed appropriately. Revised budgets should be included in the OJA grant file.

For programmatic purposes, the Filed Rep. should review the procurement summary and determine whether any procurement patterns warrant particular attention. If particular jurisdictions have expended significant funds, the monitor should contact the grantee and request that an update be provided during the visit explaining how the equipment has enhanced the response capabilities of specific jurisdictions. If particular jurisdictions appear to be significantly delayed in obligating funds, the monitor should request that the grantee have information available during the visit to further explain any issues or problems with the jurisdictions' procurement activities.

Separate visits to such jurisdictions may also be useful (if feasible).

In addition to information about specific jurisdictions, the monitor should ensure that the agency is prepared to provide a general update during the visit of the progress being made within their jurisdiction with regard to equipment procurement, exercise development and execution, training, and technical assistance, and whether they are meeting the goals and objectives described in the state homeland security strategy. Inquire whether purchased equipment has been deployed, and if additional training is needed on specialized equipment prior to its use. During the visit, the grantee should provide information on how they



are evaluating the progress of their domestic preparedness activities.

C. Site visit

OJA-Homeland Security will place an emphasis on the type of equipment purchases, the location of that equipment and any training records which document a level of proficiency in the use of that equipment. Equipment associated with specialty teams must have training records on site for verification. Any discrepancies, administrative and financial issues (use of planning funds, delinquent reports, special conditions, etc.) should generally be discussed with the grant coordinator/administrator separately from meetings that are planned with other municipal agencies or response representatives. Separate meetings with other agency officials and emergency response personnel should focus on the support the agencies have received from OJA (and other federal, state, and local) resources, and how those resources have enhanced response capabilities. Review the documentation to be completed post-visit to ensure you have covered all required items.

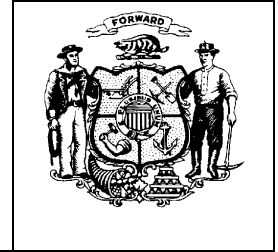
D. Post-Visit Correspondence and Field Report

Within ten business days of the monitoring visit, the Field Operations Manager or Field Representative should send an e-mail thanking the agency for the visit and indicating follow-up activity the Field Operations Manager and/or agency is taking to resolve any problems or issues raised during the visit. Additionally within ten business days, the Field Operations Manager or Field Representative must draft a *Monitoring Visit Field Report*, reporting the activities that occurred during the visit. A copy of the *Office-Based Monitoring Checklist* should be attached and circulated through the appropriate channels within OJA. **All written documents will be reviewed by the Field Operations Manager. The Field Operations Manager will then be responsible for maintaining all written reports and/or records.** If the grantee has received more than one grant, a single report should be used to describe the monitoring activities of all the grants, but the narrative should clearly explain the financial and programmatic issues if any, addressed for each grant. The report should reflect the resolution of issues before the visit and any discussions of outstanding financial and programmatic issues that occurred during the administrative review portion of the visit. The report should also include a discussion of equipment, training, and exercise accomplishments and related issues. If the grantee notes any problems or issues regarding implementation of any area of the program, the Program Manager or monitor should note those problems and issues and what steps are being taken to resolve them.



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Agency Name:	Project Manager:	Date:	Address:		
Phone No.	Cell No.	Fax No.	E-Mail Address:		
Purpose of Visit:		County:	Specialty:		
<input type="checkbox"/> Compliance Field Visit			<input type="checkbox"/> Law Enforcement		
<input type="checkbox"/> Technical Assistance			<input type="checkbox"/> Fire Service/EMS		
<input type="checkbox"/> Other:		City, Village, Town of:	<input type="checkbox"/> Airport/Rails/Harbor		
			<input type="checkbox"/> Governmental Agency		
			<input type="checkbox"/> Public Health/Schools		
General Information					
Type of grant?					
Grant amount?					
Grant administrator?					
Type of compliance check;		Desk Review	Field Review	Full	
		Field Review			
Grant Information					
		Yes	No	Field Notes	Training
County Grant					
State Agency Grant					
Tribal Grant					
Specialty Team Grant					
Compliance Information					
		Yes	No	Field Notes	Dispo.
Is the project experiencing delays in the receipt or expenditure of grant funds?					
Does grantee demonstrate proper fiscal oversight based on accurate financial reporting?					
Are expenditures in line with the approved award doc.?					



Are invoices and requests for reimbursement accurate and allowable?				
Are obligations, expenditures, and draw downs accurate?				
Is there an accountability system in place for the deployment of equipment from the Emergency Management Director to public safety agencies?				
Has any equipment purchased with homeland security funds been budgeted for in any prior budget using tax levy dollars?				
Have there been any deviations from the budget or modifications not in the grant file?				
Have all equipment changes and sub-grant reallocations been approved by OJA?				
Does the grantee have a copy of all invoices from vendors for equipment orders?				
Have all special conditions been addressed and retired?				
Does the grantee have a copy of all purchase orders?				
Are there any funds that have not been spent?				
Is all purchased equipment accounted for?				
Is all purchased equipment in the correct location?				
Are there any funds that need to be returned to OJA?				
Programmatic:	Yes	No	Field Notes	Dispo.
Has the equipment purchased by the grantee with ODP funding been deployed and/or in service?				
Is additional training required for responders to utilize the equipment?				
Is the grantee on schedule with training and exercise planning and execution?				
Are accomplishments in line with the State Strategic Plan?				
Does grantee have any problems with implementing any areas of the state strategy?				
Are goals, objectives, and timelines identified in the application/local strategy being met?				



Is the grantee coordinating their efforts with other area departments and public safety agencies?				
Has the grantee undertaken any unique homeland security initiatives that would be helpful/useful to other grantees?				
Is grantee monitoring the progress of their homeland security program?				
Is their homeland security plan consistent with their local assessment?				
Is the local assessment consistent with ODP guidelines?				
Are grant funds being used to address local needs identified within their assessment?				

OJA-Homeland Security Field Report

<u>Field Representative:</u>	<u>Date:</u>	<u>Field Site Visited:</u>
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