

Grants Activities Reports

Tab 3

Background: Grants Management Staff will review these reports:

- **Independent Audit Status Report** – summarizes the status of desk reviews of annual independent audits submitted by grantees.

Note: Effective September 27, 2013, TCDD entered into contract with Abi-Bankole, P.C. to provide Audit Quality Monitoring Services. TCDD may extend the contract for four (4) additional years under the same or different terms.

- **Grants Monitoring Exceptions Report** – summarizes concerns noted by TCDD Grants Management staff in their ongoing monitoring activities, and the status of resolving those concerns.
- **Grants Risk Assessment Report** – summarizes the risk assessment matrix for continuation grant awards and new grant awards.

Executive Committee

Agenda Item 6.

Expected Action:

The Executive Committee will review the information provided and may provide guidance to staff.

Council

Agenda Item 10. A.

Expected Action:

The Council will receive a report on the Executive Committee discussion.

TEXAS COUNCIL FOR DEVELOPMENTAL DISABILITIES

INDEPENDENT AUDIT STATUS REPORT

GRANTEE	FYE	DATE RECEIVED	AUDIT FIRM	EXCEPTIONS NOTED	RECOMMENDATIONS/ RESOLUTIONS
Educational Programs Inspiring Communities, Inc.	12/31/2012	10/23/2013	McConnell & Jones LLP	None.	None/Done.
Region 17 ESC	8/31/2013	1/7/2014	Bolinger, Segars, Gilbert & Moss, LLP	None.	Forward for Desk Review.
The Arc of Texas	12/31/2011	10/17/2013	Dunagan & Jack LLP	None.	None/Done.
The Arc of Texas	12/31/2012	10/17/2013	Dunagan & Jack LLP	None.	None/Done.

Key: Audits were submitted to TCDD during the fiscal year (Oct. 1, 2013 – Sept. 30, 2014). Independent Audit Reports are due not later than nine months after the end of the grantee's fiscal year(s) for which an audit is performed. This document includes audits that were received after the due date, but during the fiscal year.

GRANTS MONITORING EXCEPTIONS REPORT

GRANTEE PROJECT TITLE	TYPE OF ONSITE	DATE OF ONSITE	CONCERNS NOTED	CORRECTIVE ACTIONS	STATUS
Imagine Enterprises <i>(Promoting Self Advocates at Conferences)</i>	Initial	7/09/13	Facilities Checklist; PARs; PAC; Ledger; Photocopy and verify match claimed for salaries.	Documents requested: 8/2/13 Documents received: 11/14/13	Complete
VSA Arts of Texas <i>(Promoting Self Advocates at Conferences)</i>	Initial	8/14/13	Personnel Activity Reports (PARs); Organizational chart; Ledgers; Travel logs/Reimbursements; Photocopy log; Equipment list; Phone bills and Volunteer logs.	Documents requested: 8/20/13 Documents received: 10/10/13	Complete
Department of Assistive and Rehabilitative Services (DARS) <i>(Higher Education)</i>	Follow-up	8/15/13	Equipment list	Documents requested: 8/29/13 Documents received: 10/2/13	Complete
Strategic Educational Services <i>(Enabling Technology)</i>	Follow-up	10/18/13	Personnel Activity Reports (PARs); Audit; Contract; Match documentation.	Documents requested: 10/25/13 Documents received: 11/15/13	Complete
Region 17 Education Service Center <i>(Families In Schools)</i>	Initial	11/19/13	Annual audit; service agreements; equipment list; utility cost; and volunteer time.	Documents requested: 12/16/13 Some documents received: 12/19/13 Additional documents requested: 1/7/14	Pending

Date of report – 1/15/14

**RISK ASSESSMENT FOR CONSIDERATION OF CONTINUATION AWARDS
06/01/13 – 05/31/14**

Item	Grantee	TCDD Funds	Other Fed Funds	Risk Activity	Risk Code
A	Any Baby Can (<i>Health & Fitness</i>)	\$205,749	\$0	2	
B	Texas A & M University (<i>Higher Education</i>)	\$225,000	\$244mil	2	
C	Texas Parent to Parent (<i>Public Policy Collaboration Activities</i>)	\$55,800	\$97,500	2	
D	TX SILC (<i>Health & Fitness</i>)	\$245,000	\$315,000	2	
E	The Arc of Dallas (<i>NDLAST</i>)	\$75,000	\$0	2	
F	VSA Arts of Texas (<i>Self- Advocacy as Speakers</i>)	\$125,000	\$10,000	2	

OUTREACH & DEVELOPMENT - NEW AWARDS

Item	Grantee	TCDD Funds	Other Fed Funds	Risk Activity	Risk Code
A	Nuevos Horizontes de Starr County	\$10,000	\$0	NA	NA
B	Baylor Autism Resource Center	\$10,000	\$0	NA	NA

KEY

	Extensive Risk Management (all levels of control plus audit)
	Considerable Risk Management (most levels of control plus independent review by CPA)
	Moderate Risk (operating & monitoring controls & agreed upon procedures engagement by CPA)
	Monitor or Accept (basic monitoring only)

**TCDD RISK MATRIX
FY 2013**

<i>Award Amounts</i> →	- \$75,999.	\$76,000. – \$199,999.	\$200,000.- \$499,999.	\$500,000. +
Risk Activities ↓				
1. New Grantee (i.e., no previous project or no project within 2 year period)	LH	MH	HH	HH
2. Awards within Award (e.g., consultants, presenters, sub-contractors, etc.)	LH	MH	HH	HH
3. Funding Issues (e.g., budget/procurement concerns, match, sustainability, etc.)	LM	LM	MM	HM
4. Compliance Issues (e.g., OMB, UGMS, TCDD policy, oversight issues, etc.)	LM	LM	MM	HM
5. Performance Issues (e.g., unmet goals, milestones, special conditions, etc.)	LM	LM	MM	HM
6. Legal Actions	LL	LL	ML	HL
7. Fiscal Office Located Out-Of-State	LL	LL	ML	HL
8. No Audit Prior To Grant Award	LL	LL	ML	HL

KEY: 1st letter denotes impact; 2nd letter denotes probability.

	HM, HH	Extensive Risk (all levels of control plus audit)
	MM, MH, HL	Considerable Risk (most levels of control plus independent review by CPA)
	LH, ML	Moderate Risk (operating/monitoring controls + agreed upon procedures by CPA)
	LL, LM	Acceptable Risk (basic monitoring only)

Use for Risk Management Plan:

	Audit work performed and the Executive Director performs oversight via quarterly report* provided to ensure supervisory and operating controls are working.
	Department heads reporting to Executive Director perform oversight functions to ensure supervisory and operating controls are working.
	Department staff perform oversight functions to ensure supervisory and operating controls are working.
	Department staff perform basic oversight functions to ensure controls are in place.

Use for Annual Audit or Review Determination:

	Red indicates areas to be audited or reviewed by independent CPA.
	Yellow indicates areas to be covered through oversight, supervisory and operating controls with guidance from the contracted internal audit services provider.
	Green indicates areas to be covered through staff oversight with guidance from the contracted internal audit services provider as needed.
	Gray indicates areas to be covered through basic staff oversight and reporting.

Grants Monitoring Exceptions Report provided to E.D. and Council quarterly for review.

No risk activities means monitoring strategies will be performed at the lowest level under the award amount.

NOTE: Risk Matrix reviewed annually with TCDD staff and Internal Auditor; updated when needed.

**MONITORING STRATEGIES
FY 2013**

STIPENDS (\$6,000. Or less):

Website instructions	Special Conditions (GMD letter)
Technical support (Budget Support Specialist)	Review FROE & other reports submitted

Mini-Grants (\$10,000. Or less):

Orientation	Program Performance Review = Six Months
Technical support (Senior Specialist)	Final Program Performance Report
RAR & Supplemental Report	Approvals (e.g., dissemination, etc)
RAR Documentation Review = Six Month	

Level 1 GRAY

Orientation	Approvals (e.g., equipment, travel, speakers, etc.)
Onsite Review = Initial	Project Advisory Committee Meetings
Program Performance Review = Annual	Final Program Performance Report
RAR Documentation Review	Other as determined necessary (e.g., audit desk review)

Level 2 GREEN

Orientation	Project Advisory Committee Meetings
Onsite Review = Initial & 3 rd year	Final Program Performance Report
Program Performance Review = Quarterly	Agreed upon Procedures Engagements CPA
RAR Documentation Review	Other as determined necessary (e.g., audit desk review)
Approvals (e.g., equipment, travel, speakers, etc.)	

Level 3 YELLOW

Orientation	Project Advisory Committee Meetings
Onsite Review = Initial & 3 rd & 5 th years	Final Program Performance Report
Program Performance Review = Quarterly	Independent Review by CPA = Annual (A-133 Audit at \$500k or more)
RAR Documentation Review	Project Staff Meeting (1X per annum)
Approvals (e.g., equipment, travel, speakers, etc.)	Other as determined necessary (e.g., audit desk review)

Level 4 RED

Orientation	Final Program Performance Report
Onsite Review = Initial & Annual	A-133 Audit = Annual (Independent under \$500k)
Program Performance Review = Quarterly	Audit Desk Review = Annual
RAR Documentation Review	Project Staff Meeting (2X per annum)
Approvals (e.g., equipment, travel, speakers, etc.)	Interim Program Performance Report
Project Advisory Committee Meetings	

ADDITIONAL MONITORING STRATEGIES FOR GRANT PROJECTS

To be selected and implemented on an as needed basis.

- Re-orient
- Add milestones or special conditions
- Move up to the next level of monitoring (see above tables)
- Payment holds (reimbursement only no advance or no reimbursement & no advance)
- Require additional onsite reviews