



# Office of Faith-Based and Community Initiatives

Mitchell E. Daniels, Jr., *Governor* • Paula Parker-Sawyers, *Executive Director*

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## COMMUNICATION 2006-P-06

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**TO:** OFBCI Personnel and National Service Sub-Grantees  
**FROM:** Paula Parker-Sawyers  
**CC:** Agency Operations Manual (2006)  
**DATE:** August 1, 2006  
**SUBJECT:** **AmeriCorps\*State Risk-Based Monitoring and Compliance** (Guidelines for)

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### **PURPOSE**

The Risk Based Monitoring Policy will assist the Office of Faith-Based and Community Initiatives (OFBCI) to determine a sub-grantee's risk relative to monitoring and evaluation of their program for legal, financial, and programmatic grant provision compliance.

### **EFFECTIVE DATE**

August 1, 2006

### **SCOPE**

This communication applies to all OFBCI personnel and national service sub-grantees.

### **RECESSION**

The ICCSV and the OFBCI rescind all previous communications issued by the Indiana Commission on Community Service and Volunteerism (ICCSV) and the Department of Workforce Development (DWD) pertaining to grievances levied by sub-grantee organizations.

### **STATEMENT OF POLICY**

#### **A. *Strategy.***

The risk based monitoring strategy consists of two parts:

(1) **Program Self-Assessment (PSA)**

Sub-grantees shall respond to the OFBCI's Program Self-Assessment (PSA) prior to a scheduled monitoring review. The OFBCI shall rely on the responses contained in the self-assessment to:

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- i. Assess risk;
- ii. Ensure appropriate responsibility and accountability;
- iii. Determine training and technical assistance needs.

The OFBCI shall mail the PSA to sub-grantees within thirty (30) days of the scheduled monitoring date. The PSA shall be completed and returned to the OFBCI within two (2) weeks of receipt by the sub-grantee.

(2) **Program Risk Assessment (PRA)**

- (a) The OFBCI shall complete a Program Risk Assessment (PRA) for each sub-grantee at the commencement of each program year. The Chief Operating Officer (COO), the Director of Programs, and the National Service Program Officer (NSPO) shall participate fully in each review. The Account and Compliance Office (ACO) shall be responsible for leading the PRA process.
- (b) The OFBCI shall assign each sub-grantee a risk level based upon the review and analysis of the PSA and other considerations, which may include, but are not limited to, the following factors:
  - i. Funding cycle year;
  - ii. Ability of the sub-grantee to meet statutory, regulatory, and budgeted match requirements;
  - iii. Turnover of key and/or experienced sub-grantee staff;
  - iv. Demonstration of a critical need for technical assistance or guidance;
  - v. Persistent program quality issues;
  - vi. Poorly prepared or inaccurate financial reporting in previous program years;
  - vii. Failure to identify and correct previous programmatic and fiscal issues in a timely manner;
  - viii. First-time recipient of an AmeriCorps\*State grant;
  - ix. Grant funds exceed \$100,000;
  - x. New or replacement legal applicant for an existing AmeriCorps\*State program;
  - xi. Instability of legal applicant;
  - xii. Failure to meet performance measurement objectives;
  - xiii. Lack of participation in staff and member meetings and trainings;
  - xiv. Significant challenges/issues identified during the sub-grantee's last monitoring review;
  - xv. Significant member recruitment/retention challenges;
  - xvi. Significant member management issues.
- (c) The OFBCI shall develop a monitoring strategy for each sub-grantee based on the outcome of a sub-grantee's PSA.
- (d) At the completion of each PRA, the OFBCI shall assign a sub-grantee one of the following levels of risk:
  - i. **HIGH RISK (111-158 points)**  
A sub-grantee at this level shall receive a minimum of two (2) monitoring reviews per program year and intensive training and technical assistance to assess progress towards objectives.

ii. **MEDIUM RISK (71-110 points)**

A sub-grantee at this level shall receive at least one (1) on-site monitoring visit per program year.

iii. **LOW RISK (30-70 points)**

A sub-grantee at this level shall receive at least one (1) desk review per program year.

- (e) The OFBCI shall deem all first year planning, operational, or a combination of the two (2) grants as high risk.

**B. Corrective Actions.**

- (1) At the conclusion of an on-site visit or desk review, the OFBCI shall conduct an exit interview either in person or by telephone to discuss the programmatic and/or fiscal findings and observations.
- (2) Observations shall not require a response from a sub-grantee. If, at a future date the same observation appears during a monitoring review, the OFBCI shall automatically deem it as a finding.
- (3) If a compliance finding(s) is/are noted, a sub-grantee shall have not more than thirty (30) days to make corrections acceptable to OFBCI.
- (4) If acceptable compliance is not achieved by the required due date, a sub-grantee shall be determined to be in a status of non-compliance. The OFBCI may withhold grant funds until evidence of correction is submitted and accepted.
- (5) A sub-grantee non-compliance status shall be a determining factor in future funding decisions.
- (6) If additional finding(s) is/are discovered when the OFBCI concludes its final analysis and before the final monitoring report is issued, then the OFBCI may require a sub-grantee to submit: (a) additional documentation in an effort to prove compliance; or, (b) a corrective action plan.
- (7) This policy shall not preclude the OFBCI from conducting a site visit or a desk review at anytime or requesting any pertinent programmatic or fiscal information as the OFBCI may deem appropriate.

**REFERENCES AND PRECEDENCE**

**A. References.**

*AmeriCorps Special Provisions*, IV.D.9 (Member Death or Injury, page 11) (2005)

**B. Precedence.**

Should there be any inconsistency between the United States and Indiana Codes, Indiana Executive Orders, U.S. and Indiana Administrative Codes, and this internal policy the order of

precedence that will prevail is (1) United States and Indiana Codes; (2) AmeriCorps General Provisions; (3) AmeriCorps Special Provisions; (4) this internal policy.

**INTERPRETATION**

The OFBCI executive director shall have the sole authority to interpret the provisions set forth in this policy.

**APPROVAL:**



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**Paula Parker-Sawyers, Executive Director**

August 1, 2006

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**Date**