

Ohio Department of Public Safety Office of Criminal Justice Services - Traffic Safety Policy and Procedure	Date: 01/04/2012	Policy No. 6.1
	Unit: Grants Monitoring and Fiscal Compliance	
	Last Revised: New	
Subject: On-site Grants Fiscal Monitoring		

Purpose:

This policy establishes procedures for identifying grantees and/or projects for "On-site Grants Fiscal Monitoring."

Policy:

Any agency that receives federal grant funds from the Office of Criminal Justice Services (OCJS) will require a Grants Fiscal Monitoring conducted by OCJS staff.

Procedures:

- A. At the beginning of the grant year and during grant reviews the Regional Program Manager, the Director of Grants Monitoring and Fiscal Compliance and the assigned Planner shall identify grants and projects for "On-site Monitoring." Projects will be prioritized using the following criteria:
 - 1. Subgrantees that demonstrate difficulties in the administration of their grant (e.g., submitting performance reports, claims and support documentation, etc.) and/or subgrantees that are not meeting their scope of work and/or work plan.
 - 2. Subgrantees that have OCJS grant agreement(s) totaling \$100,000 or more.
 - 3. Subgrantees in "Grantee On Notice" status or subgrantees with findings.
 - 4. New grants (grants not under agreement from the previous federal fiscal year).
 - 5. Subgrantees with Single Audit Findings.
 - 6. All other grants.

- B. **Preliminary Planning** - Grants Compliance Monitors communicate with the agency leadership to plan a time for the fiscal monitoring review. Once the date has been arranged, the Grant's Compliance Monitor will send a Site Confirmation Letter via fax and email to the subgrantee confirming the date and time of the fiscal monitoring. The Confirmation Letter (*See Appendix A*) specifies the necessary detail that the Grant Compliance Monitors will need to see at the time of the fiscal visit. It includes general financial information that the Monitors will be looking at during their monitoring visit. In addition, an Onsite Review Tips sheet (*See Appendix A1*) is included in the email that is submitted to the subgrantee. This Tips sheet gives a more detailed account of the information that the Monitors will specifically want to review at the time of the financial monitoring.

The focus of the financial monitoring(s) is to ensure accuracy and compliance of the reimbursement claim in addition to the fund financial accounting of OCJS grant monies

Mission Statement

"to save lives, reduce injuries and economic loss, to administer Ohio's motor vehicle laws and to preserve the safety and well being of all citizens with the most cost-effective and service-oriented methods available."

according to the grant budget on file and the rules and regulations of the Federal Guidelines and the OCJS Terms and Conditions. The Monitors will gather the proper internal grant files to be reviewed/monitored, make the appropriate copies of the paperwork necessary to have with them for the Onsite Monitoring Visit, and complete the checklist (*See Appendix B*) necessary for each grant being reviewed with the subgrantee.

- C. **Field Work** - The Monitors collect information, prepare work papers, supporting schedules and materials, and evaluate results of the agency. The fiscal monitoring requires varying degrees of input and participation by agency staff, including interviews and other requested information. The monitoring will report a summary of the work performed, findings and recommendations to improve/resolve deficiencies or non-compliance of the grant program.

During the field work, the Monitors collect financial information of the OCJS grants in question. The financials are then reviewed to analyze records, operations, organization, and internal system and control mechanisms. The Monitors will then interview various employees involved in the program being monitored as well as perform a fiscal review of backup documentation submitted with the reimbursement claim. During the field work, the Monitors complete the On-Site Monitoring Testing Form(s), which includes the Receipts Testing Form, Expenditures Testing Form, Payroll Testing Form, and Equipment Testing Form (*See Appendix C*).

The Receipts Testing Form verifies that the date of the OCJS disbursements amounts match when the subgrantee actually received payment of those grant monies and those grant monies are being deposited within a reasonable amount of time from the OCJS disbursement date. The Monitors must ensure that the amounts are accounted for not only within the bank statements, but also on the fund financial accounting system.

The Payroll Testing Form is a double-check to verify accuracy of the payroll payments made to all employees that are listed on the grant. The Monitors verify the personnel to be paid by the grant, their hours worked, and their pay rates to ensure that the total payroll is paid accurately. This is verified by looking at the payroll expense ledger (as provided by the subgrantee), the bank statements, and the pay stubs (with timesheets) of all employees stated in the grant. Any discrepancies are noted and if further action is necessary, it is outlined in the Recommendations Letter.

The Expenditures Testing Form is used when there are consultants, travel, supplies, other costs, confidential funds and/or indirect costs on the grant budget. The Monitors verify various expenses "testing" to ensure accuracy of expenses being reported on the grant, as well as to ensure that allowable costs are being reported within the guidelines of the budget. Again, any discrepancies are noted and if further action is necessary, it is outlined in the Recommendations Letter.

The Equipment Testing form is used when any equipment is being purchased with grant dollars. When there is equipment included within the budget of the grant, the Equipment Inventory Report (*See Appendix D*) is usually completed. This form ensures accurate tracking of all equipment that was purchased with the grant dollars and also provides an inventory document to verify where all the purchased equipment can be tracked and/or found when an audit of the inventories is necessary.

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At the end of the monitoring field work, the Monitors will then meet with the various agency staff to discuss any major issues and concerns and discuss preliminary recommendations. The Monitors complete the On-Site Monitoring Review Form (See *Appendix E*) with the agency staff. This is a Q & A (Question and Answer) to determine the fiscal compliance with the grant requirements. A copy of the agency's most recent audit must be provided to the Monitor for review in order to provide OCJS with an overview of financial condition to that agency. Agency staff is encouraged to discuss the preliminary recommendations with the Field Monitors and present any clarifying information.

- D. **Regional Program Manager Review** - Prior to recommendations being finalized by the Grants Compliance Monitor, a draft of the recommendation letter shall be submitted to the Regional Program Manager for review and comment.
- E. **Recommendations** - After field work is complete a Recommendation Letter (See *Appendix F*) is compiled and sent to the agency. The letter should be sent to the subgrantee within five (5) business days of the Onsite Monitoring barring unforeseen circumstances that causes a delay over five (5) days. The recommendations letter must identify problems and detail recommendations as a result of the fiscal onsite monitoring. It should contain the names of the personnel present during the Onsite Monitoring, the items reviewed during the monitoring, what observations were made during a review of the financial documents and all other related financial information to each grant being monitored, and a recommendations section stating what corrective action needs to be taken and whether a thirty (30) day follow-up will be required. The letter is designed to identify deficiencies or non-compliance of the grant fiscal monitoring and to make recommendations on how to resolve these issues. If a follow-up is necessary, the agency is given thirty (30) days from receipt of the letter to provide corrective action related to the recommendations listed in the monitoring letter. Any agency's responses are to be analyzed carefully, and when appropriate are used to modify monitoring recommendations.
- F. **Monitoring Follow-up** - After the initial fiscal monitoring, a follow-up courtesy call/email may be necessary to answer any open items and/or questions regarding the recommendations letter. If a thirty (30) day follow-up is required, the Monitor will contact the subgrantee and communicate with the agency leadership to plan a time for the follow-up fiscal monitoring review. Once the date has been arranged, the Grants Compliance Monitor will send a Follow-Up Site Confirmation Letter (See *Appendix G*) via fax and email to the subgrantee confirming the date and time of the follow-up fiscal monitoring. **This follow-up should typically be completed within thirty (30) business days of the agency onsite monitoring field work.** The follow-up monitoring is necessary in order for the subgrantee to correct any/all issues as outlined in the recommendations letter. Once the follow-up monitoring has been completed and all necessary corrective action has been taken as outlined in the recommendations letter, the follow-up letter (See *Appendix H*) is sent to the subgrantee to confirm that corrective action has been taken.
- G. Upon completion of the monitoring, a copy of the form is submitted to Regional Program Manager to be placed in the subgrantee's file.

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Appendix A:



- Administration
- Bureau of Motor Vehicles
- Emergency Management Agency
- Emergency Medical Services
- **Office of Criminal Justice Services**
- Ohio Homeland Security
- Ohio Investigative Unit
- Ohio State Highway Patrol



John Kasich, Governor
 Thomas Charles, Director
Karhlton F. Moore
Executive Director

Office of Criminal Justice Services
 1970 West Broad Street
 P.O. Box 182632
 Columbus, Ohio 43218-2632
 (614) 466-7782
 www.ocjs.ohio.gov

FAX TRANSMISSION

TO:

FROM:

DATE :

TOTAL NO. OF PAGES INCLUDING COVER:

FAX NUMBER:

RE :

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY PLEASE RECYCLE

NOTES/COMMENTS:

Dear _____,

I have enclosed a copy of our letter confirming our appointment with you for ____ **25, 2012** at __:**00 a.m./p.m.** If you have any questions, you may give me a call at **(614) 728-0000**. Have a good day.

Sincerely,

(Your Name),
Compliance Monitor

Mission Statement

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- Bureau of Motor Vehicles
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- **Office of Criminal Justice Services**
- Ohio Homeland Security
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 (614) 466-7782
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Sent Via Facsimile and Email

(Date)

(Subrecipient Contact Name)

(Subrecipient – Implementing Agency)

(Address)

(City) (State) (Zip Code)

Subject: Onsite Monitoring Visit for
(Grant Program Number), (Subgrant Title)

Dear Project Director,

This letter is to confirm the onsite monitoring review for the above listed grant program(s), to be conducted on **(Insert Date)** at approximately **(Insert Time)**. The purpose of our visit is to ensure expenditures are properly supported and in compliance with the federal grant program agreement. This visit is part of our compliance with OMB Circular A-133 subrecipient monitoring requirements.

The review will include examining (on a test basis) documentation supporting grant receipts and expenditures. Listed below are examples of supporting documentation that may be reviewed for expenditures in the budgeted areas of your grant programs:

- | | |
|--|---|
| ▪ Policy and Procedures Manual | ▪ Individual Payroll Timesheets and Activity Reports |
| ▪ Chart of Accounts | ▪ Fringe Benefits Rate Support |
| ▪ Bank Statements and Reconciliations | ▪ Travel and Mileage Reports |
| ▪ Master Vendor Listing | ▪ Cancelled Warrants and Checks |
| ▪ General Ledger Reports | ▪ Voucher Packet—Requisitions, Invoices, and Purchase Orders |
| ▪ Receipts, Deposits, or Pay-Ins | ▪ Equipment Inventory Report |
| ▪ Detailed Payroll Earning Register | |

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Please ensure all files and supporting documentation that you utilized to prepare your grant payment requests are available for review. Also, please have personnel responsible for the information related to this grant program available to respond to questions or concerns that may arise during the on-site visit. Additional records may be requested and examined during this review.

Prior to the conclusion of the on-site visit, any questions, concerns or recommendations will be discussed with you, in an attempt to resolve as many issues as possible. Subsequently, a written summary of the on-site monitoring reviewing will be provided for your records. If you have any questions concerning this request please contact me at **(614) 728-0000**.

Sincerely,

*(Your Name),
Compliance Monitor*

Appendix A-1:

ONSITE REVIEW TIPS SHEET

1. There should be some sort of fund/cost center/department (whatever title you use) accounting system that tracks OCJS funds (**including match**) and expenses separately for each grant and separate from you normal operating expenses. We are asking for Revenue and Expense Ledgers and/or a General Ledger detailing out **all grant activity**. If you are confused please call me and we can discuss it. (**If this is missing it will result in an automatic 30-day follow-up as well as placing your organization in jeopardy of losing your funding**).
2. There should be a 3-ring Grant Binder for each grant and have the documents organized within it using the dividers provided to you by OCJS (please ask for additional tabs if needed and I will mail them to you).
3. Place **all back-up documentation** in the Grant Binder except for the bank statements.
4. All back-up documentation should be organized by reimbursement claim.
5. Have check copies for each invoice in the Grant Binder. Place them with their respective invoices.
6. **Payroll Expenses:** Place the Timesheets and Detailed Earning Statements (pay stubs) together by employee and with their respective reimbursement claim. Also have the fringe benefit breakdown available including the employer's portion of all benefits paid. Include copies of Health Insurance Premiums for covered employees.
7. **Consultants:** A copy of the contract for each consultant should be placed in the Grant Binder, and a copy of consultant invoices, timesheets and check copies should be placed with the quarterly report in which the expenses occur.
8. **Travel Expenses:** Have a copy of the travel log available as well as a copy of the check used to reimburse travel expenses. For overnight travel have the transportation and meal receipts, along with documentation for any training sessions.
9. **Equipment:** The invoices and check copies should be together in the Grant Binder with their respective reimbursement claim. Ensure that the equipment purchased with the grant monies are tagged with the Traffic Safety Inventory State Sticker.
10. **Supplies/Other Costs Expenses:** The invoice and the check copy should be together in the Grant Binder with their respective reimbursement claims for the related expenses. If costs are shared with other funds or programs there should be a breakdown explaining how the charges were split.
 - a. **Rent Payment:** Have a copy of the lease available and copies of the checks used to pay the rent payments.
 - b. **Auto/Equipment Lease Rental Payment:** Have a copy of the lease available and copies of the checks used to pay the lease/rental payments.
11. Please have a copy of your **most recent audit** available to us.

The more organized you are the easier the appointment will go. **If you have any questions regarding the information request above or concerning the onsite review please contact me immediately.**

Sincerely,

(Your Name)

(614) 000-0000

youremail@dps.state.oh.us

Appendix B:

**Ohio Department of Public Safety
OCJS—Grants Monitoring and Fiscal Compliance Section
On-Site Monitoring Checklist**

Grant: _____

Preparation Before Visit

- Schedule on-site visit
- Send confirmation letter
- Review grant file for information
- Make copies from grant file for monitoring file (See * items in next section)
- Review A-133 audit and management letter
- Complete as much information as possible on on-site testing forms
- Review grants management system (control log & reports)

Audit / Review File – Contents Order

- Recommendations Letter
- Confirmation Letter
- On-Site Monitoring Form
- On-Site Testing Forms
- Copies Made During Visit (if any)
 - Pay-Ins
 - Contracts
 - Ledgers
 - Timesheets
 - Equipment Lists
 - Invoices
- State of Ohio Commitment *
- Subgrant Application Title Page *
- Subgrant Award Agreement *
- Subgrant Adjustment Notice (if any) *
- Budget Application *
- Subgrant Closeout Notice *
- Reimbursement Claims (most recent or pertinent) *
- Equipment Inventory (if any) *

Copies to Place in Grant File (give to grants monitoring director)

- Recommendations Letter
- Confirmation Letter
- On-Site Monitoring Form
- On-Site Testing Forms

Ohio Department of Public Safety
 OCIS-Grants Monitoring and Fiscal Compliance Section
 Onsite Testing Form

Receipts Testing

Grant # _____

Program Title _____

From OCIS Grant File Records		From Recipient Records					Variables:			
Disbursement Date	Disbursement Amount	Fund/Account #	Pay-In Number	Pay-In Date	Pay-In Amount	Ledger Amount	A	B	C	D
1										
2										
3										
4										
5										
TOTAL	\$0.00									

Sources

Variables:

- A- Pay-in agrees to OCIS's disbursement to the organization in amount
- B- Pay-in is reasonably dated in relation to OCIS's disbursement date
- C- Receipt is posted to the correct fund/account #.
- D- Revenue Ledger agrees to the receipt.

Ohio Department of Public Safety
 O.C.J.S.-Grants Monitoring and Fiscal Compliance Section
 Onsite Testing Form

Expenditure Ledger

Grant # _____

Program Title _____

Vendor Name	Items Purchased	Fund/Account #	Warrant Number	Warrant Date	Warrant Amount	Invoice Date	Invoice Amount	Ledger Amount	Variables:				
									A	B	C	D	
1													
2													
3													
4													
5													
6													
7													
8													
9													
10													

Services _____

Variables:

- A- Invoice agrees to the Quarterly Subgrant Report (Item(s) purchased and amount) and is an allowable cost or activity.
- B- Amount disbursed per the warrant agrees to or includes the invoice amount. Any excess warrant amounts are supported by other invoices paid on the same warrant.
- C- Warrant agrees to the Expenditure Ledger and is posted to the appropriate fund.
- D- Expenditure reviewed for proper authorization and in accordance with the approved budget.

Additional Procedures:

Agree the total expenditures claimed on each Quarterly Subgrant Report to the expenditure ledger total for that quarter verifying the completeness of the Quarterly Subgrant Reports submitted. Also scan the expenditure ledger to search for duplicate expenditures.
 The following exceptions were noted:

Ohio Department of Public Safety
 OCIS-Grants Monitoring and Fiscal Compliance Section
 Onsite Testing Form

Equipment Testing

Grant # _____ Program Title _____

Description of Equipment/Model Number	Fund Account #	Warrant Number	Warrant Date	Warrant Amount	Invoice Date	Invoice Amount	Ledger Amount	Variables		
								A	B	C
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										

Sources _____

Variables

- A- Equipment purchased according to grant budget and the equipment listing exists.
- B- Equipment is on the entity's asset listing and is distinguished as purchased by the federal program.
- C- Amount disbursed per the warrant agrees to or includes the invoice amount. Any excess warrant amounts are supported by other invoices paid on the same warrant.

Appendix D:



- Administration
- Bureau of Motor Vehicles
- Emergency Management Agency
- Emergency Medical Services
- Office of Criminal Justice Services
- Ohio Homeland Security
- Ohio Investigative Unit
- Ohio State Highway Patrol



John R. Kasich, Governor
 Thomas P. Charles, Director
 Karlton F. Moore
Executive Director
 Office of Criminal Justice Services
 1970 West Broad Street
 P.O. Box 182632
 Columbus, Ohio 43218-2632
 (614) 466-7782
 www.ocjso.ohio.gov

Dear

On your agency purchased equipment with federal funds administered by the Ohio Department of Public Safety, Ohio Traffic Safety Office (OTSO). Our records show this equipment was last inspected To ensure that the equipment is in proper condition and in proper use, we ask that you please take a few moments of your time to answer the questions below and verify your responses. By answering these questions, the need for the OTSO to do a physical, on-site inspection of the equipment may be eliminated. Once completed, your responses may be mailed, or faxed to us at (614) 351-6003.

If you have any further questions, please contact Michelle Liberati-Cobb at (614) 466-3250.

Sincerely,

GHSO Inv. #	Description	Manufacturer	Purchase Date	Serial #

What percentage of use is this equipment being used for highway safety activities? _____ %

In what condition is the equipment? Average Good Excellent

Is the equipment being used? Daily Weekly Monthly

I hereby assure to the best of my knowledge, the information provided is accurate.

Name (Print)	Signature	Title
Telephone Number	Date	

Mail or Fax to address listed below:

Ohio Traffic Safety Office
 Attn. Michelle Liberati-Cobb
 1970 West Broad Street (Room 426)
 P.O. Box 182081
 Columbus, Ohio 43218-2081

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Appendix E:

**Ohio Department of Public Safety
OCJS – Grants Monitoring and Fiscal Compliance Section
Onsite Monitoring Review Form**

On-Site Monitor _____ Date _____
Management Reviewer _____ Date _____

Grant Information

Subgrantee Name _____
Primary Contact Name _____
Primary Contact's Position/Title _____
Primary Contact Phone # _____

The following grants were reviewed during this site visit:

<u>Subgrant No.</u>	<u>Grant Name</u>	<u>Grant Award \$</u>	<u>Grant Start Date</u>	<u>Grant End Date</u>	<u>Reviewed Period From</u>	<u>Reviewed Period To</u>

The following grants reviewed had a required cash match:

<u>Grant Name and FFY</u>	<u>Cash Match \$</u>

Reporting and Recordkeeping

<u>Person who:</u>	<u>Name:</u>	<u>Position / Title:</u>
Approves Expenditures	_____	_____
Signs the Checks	_____	_____
Posts Transactions to G/L	_____	_____
Performs Bank Reconciliations	_____	_____
Reviews Bank Reconciliations	_____	_____
Maintains Personnel Files	_____	_____
Reviews Payroll Activity (time sheets, activity reports, payroll journal, etc.)	_____	_____

<u>Single Audit Review</u>		Yes	No	N/A
❖	Prior to going onsite for the review, obtain the latest Single Audit Report online with the Auditor of State (http://www.auditor.state.oh.us/AuditSearch/)			
1.	Was the Major Programs' Compliance Opinion in the Summary of Auditor's Results in the Schedule of Findings qualified?			
2.	Were there any findings and/or questioned costs for federal awards in the Schedule of Findings?			
<p><i>If a yes is answered for either question 1 or 2 above, then comment on the issues noted from the audit and how this will be addressed during the onsite review:</i></p>				

<u>Management Letter Review</u>		Yes	No	N/A
❖	Prior to going onsite for the review, obtain a copy of the latest management letter from the most recent audit either through the Auditor of State Clerk of the Bureau or from the County.			
1.	Were any financial operations issues noted which would impact the processing of federal grant dollars?			
2.	Were any control issues identified which would impact the processing of federal grant dollars (i.e. control weaknesses)?			
3.	Were any other operational issues such as the handling of assets, lack of policies and procedures, contract non-compliance, etc. which would impact federal dollars received?			
<p><i>If a yes is answered for either question 1, 2, or 3 above, then comment on the issues noted from the audit and how this will be addressed during the onsite review:</i></p>				

<i>Fiscal</i>	N/A <input type="checkbox"/>	Yes	No	N/A
❖ What is the bank reconciliation process and how are errors or adjustments handled?				
1.	Are bank accounts reconciled on a monthly basis?			
2.	Do reconciliations receive appropriate supervisory review and is action taken to correct errors and resolve reconciling issues?			
3.	Are the organization's staff members responsible for handling cash fully bonded or is there an appropriate alternative assurance for security?			
❖ Explain the process for approval and payment of expenditures and posting to the general ledger.				
4.	Does the organization have accounting records available for review?			
5.	Is there separate accounting of federal funds?			
<i>List each grant program being reviewed below and the fund it is tracked in:</i>				
6.	Does management review requisitions for allowability (under OMB A-87, federal grant guidance, and the grant agreement) prior to encumbering funds and placing an order?			
7.	Are all invoices reviewed by management for allowability and marked "ok to pay" prior to making payment?			
8.	Are disbursements fully supported by invoices, requisitions, purchase orders, or similar documents? Are cancelled checks/warrants available?			
9.	Does management have a procedure for checking vendors against the federal suspension and debarment list and applicable state lists? <i>(Excluded Parties List System website: www.EPLS.gov)</i>			
❖ Explain the accounting system for each grant program.				
10.	Does the general ledger show that the expenditure amounts match the amounts indicated on the Reimbursement Claim sent to OCJS?			
<i>List below the Reimbursement Claims reviewed for question #10 above?</i>				
11.	Is proper record retention being followed? (generally at least three years- see 28 CFR Parts 66 and 70)			
12.	Did a scan of the expenditure ledger in comparison with the program initiatives or strategies & budget indicate any issues of supplanting?			
13.	Did a review of the fund balance compared with the timing of draws indicate any excessive draws or holding on to grant funds?			
14.	Were any illegal transfers or other unusual activities noted during a scan of the fund activity?			
❖ How do you account for matching funds and what is their source?				
15.	Can the match be verified in the accounting ledger?			
16.	What is the source of the match?			
Comments				

<u>Personnel</u>		N/A <input type="checkbox"/>	Yes	No	N/A
❖ Describe the payroll process and who is paid by the grant.					
1.	Are personnel files maintained for each employee that includes current job descriptions, performance appraisals, deductions, and changes in pay rates?				
2.	Are time sheets, activity reports, or payroll files available for review?				
3.	Are individual employee time sheets and attendance records:				
	a.	Prepared and signed by each employee for each pay period?			
	b.	Reviewed and signed by each employee's supervisor?			
	c.	Reconciled to the payroll master ledger?			
4.	Are all authorized staff positions filled for the approved budget?				
5.	Are staff salaries consistent with approved budget?				
6.	Are fringe benefits the same as what is listed in the approved budget?				
7.	Are duties of staff and time allocations consistent with the approved budget?				
<u>Comments</u>					

<u>Consultants</u>		N/A <input type="checkbox"/>	Yes	No	N/A
❖ What is the process for hiring consultants and can you provide a sample copy of a contract?					
1.	Is there a formal contract on file specifically outlining the services to be provided by the consultant?				
2.	Does the statement of services to be provided agree with the approved budget?				
3.	Was the maximum daily rate of \$450.00 exceeded?				
4.	If yes to number 3 above, was prior approval obtained?				
5.	Was the contract competitively bid?				
6.	If no to number 5 above, was sole-source justification provided?				
7.	Are time sheets or activity reports kept to record contractor's work, or is there an invoice provided by the consultant?				
<u>Comments</u>					

<u>Travel</u>	N/A <input type="checkbox"/>	Yes	No	N/A
❖	Request a copy of the agency travel policy, or have them describe the procedure for approving and documenting travel expenses.			
1.	Is employee travel approved in advance by a supervisor or project manager?			
2.	Are travel expenditures documented with expense reports and detailed receipts (i.e. receipts that do not merely show total but detail of what was purchased)?			
3.	Does the agency have written travel policies and procedures?			
4.	Are travel expenditures in compliance with travel policy and approved budget?			
❖	Review a few reimbursements that were paid out of the grant(s) being reviewed.			
5.	Were detailed receipts provided to support amounts reimbursed?			
6.	Were the expenses in compliance with grant requirements/guidelines and OMB Circular A-87?			
7.	Was a certificate of attendance or support of attendance provided for training sessions that were reimbursed?			
<i>List below the quarter and specifics of the reimbursement chosen to be reviewed for questions #5-7</i>				
Comments				

<u>Equipment</u>	N/A <input type="checkbox"/>	Yes	No	N/A
❖	What is the purchasing and inventory procedure for equipment purchased with grant funds?			
❖	Request an equipment inventory list and physically locate selected items reviewing tag information.			
1.	Has all equipment indicated as purchased to OCJS been purchased?			
2.	Are equipment purchases well documented and an inventory list maintained?			
3.	Is all purchased equipment approved in the budget?			
4.	Is the equipment tagged separately from other assets with the subgrant name and number?			
5.	Has an inventory been conducted bi-annually? If so, review the inventory to ensure federal assets were accounted for as such.			
6.	Does equipment purchased with grant funds appear to be properly safeguarded and used only for the purposes for which it was approved?			
Comments				

<u>Supplies</u>	N/A <input type="checkbox"/>	Yes	No	N/A
❖	Explain the process for allocating the cost of supplies to the grant program.			
1.	Are purchases of supplies approved and well documented by invoices or receipts?			
2.	Are expenditures for supplies consistent with the approved budget?			
3.	Is there a substantial supply inventory remaining at the project termination date?			
4.	Are costs shared with other programs or fund sources?			
5.	If yes to question # 4, how are costs allocated?			
<i>Comments</i>				

<u>Other Costs</u>	N/A <input type="checkbox"/>	Yes	No	N/A
❖	How are rent, utilities, and other items allocated for the program?			
1.	Are rent payments documented by a copy of the lease agreement, and canceled checks or receipts?			
2.	Are receipts, bills and invoices properly maintained?			
3.	Are costs shared with other programs or funding sources?			
4.	If yes to question # 3, how are costs allocated?			
<i>Comments</i>				

<u>Confidential Funds</u>		N/A <input type="checkbox"/>	Yes	No	N/A
❖	What is the procedure for handling confidential funds? / Request copies of sample forms used.				
1.	Is the signed Certification of Confidential Funds on file?				
2.	Is there a procedure for approving expenditures and handling confidential funds?				
3.	Is there appropriate backup on file for expenditures?				
Comments					
<u>Indirect Costs</u>		N/A <input type="checkbox"/>	Yes	No	N/A
1.	Is the rate charged to the grant equal to the rate approved in the budget? (10% or less)				
Comments					

<u>Project Income*</u>		N/A <input type="checkbox"/>	Yes	No	N/A
1.	Has the project earned any income as a result of these federal funds?				
2.	If yes for question # 1, is the project income properly reported and accounted for?				
Comments					

*Project Income (In Kind) may include but is not limited to the following:

- Cash
- Food
- Rental Space
- Printing
- Ad Space
- Car Seats/Bike Helmets/Tee-shirt

Appendix F:



- Administration
- Bureau of Motor Vehicles
- Emergency Management Agency
- Emergency Medical Services
- **Office of Criminal Justice Services**
- Ohio Homeland Security
- Ohio Investigative Unit
- Ohio State Highway Patrol



John Kasich, Governor
Thomas Charles, Director
Karlton F. Moore
Executive Director

Office of Criminal Justice Services
1970 West Broad Street
P.O. Box 182632
Columbus, Ohio 43218-2632
(614) 466-7782
www.ocjs.ohio.gov

FAX TRANSMISSION

TO:

FROM:

DATE :

TOTAL NO. OF PAGES INCLUDING COVER:

FAX NUMBER:

RE :

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY PLEASE RECYCLE

NOTES/COMMENTS:

Dear _____,

I would first like to thank you again for meeting with me on **Wednesday, _____ 24, 2012**. As a result of our visit, I have composed and attached a letter summarizing the results of our Onsite Monitoring Visit. If you have any questions you may give me a call at **(614) 728-0000**. Have a good day.

Sincerely,

*(Your Name),
Compliance Monitor*

Mission Statement

"to save lives, reduce injuries and economic loss, to administer Ohio's motor vehicle laws and to preserve the safety and well being of all citizens with the most cost-effective and service-oriented methods available."



- Administration
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 (614) 466-7782
 www.ocjs.ohio.gov

(Date)

(Subrecipient Contact Name)

(Subrecipient – Implementing Agency)

(Address)

(City) (State) (Zip Code)

Subject: Onsite Monitoring Visit for
(Grant Program Number), (Subgrant Title)

Dear Project Director,

I would like to thank you for giving me the opportunity to meet with your grant program personnel and review your grant information. This letter is a summary of the onsite monitoring review for the above listed grant program, that was conducted on **(Onsite Visit Date)**.

Personnel met with:

- ◆ (Person’s Name), (Title)

Items reviewed:

- ◆ Grant Binder (Application, award document, correspondence, quarterly subgrant reports)
- ◆ Receipts Documentation (National City Bank statements, etc.)
- ◆ Expenditures Documentation (copies agency checks, receipts, Employee timesheets, etc.)

Observations:

- ◆ The grant binder was somewhat disorganized and contained information not related to the OCJS grant, such as: unfunded employee timesheets, unrelated check copies and non-approved expenses.
- ◆ A General Ledger was not provided showing the activity related to OCJS funds.
- ◆ National City Bank records were missing for August 2009 and November 2009 and no proof of Bank Statement Reconciliation was present nor was the process fully explained.
- ◆ Little proof of expenses was supplied for quarterly reconciliation. Utility Bills, Detailed Employee Payroll Earning Statements and Fringe Benefit break-downs were not provided.
- ◆ There was no evidence of cash receipt reimbursement present nor was the process adequately explained.

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Observations: (Cont'd)

- ♦ All expenses are paid out of the Payroll Bank Account. There is not a separate account for the OCJS funds and expenses nor was there proof that the funds and expenses were accounted for separately.
- ♦ There is no "Separation of Duties"; Ms. Angela _____ solely handles all aspects of the grants award by OCJS.

Recommendations:

- ♦ Proper care and time be taken when filing paperwork in the grant binder. Only items directly related to that particular grant should be stored in the grant binder.
- ♦ Detailed documentation should be filed in the grant folder or readily available to include all utility bills, all bank statements, and detailed earning statements including fringe benefit breakdown and timesheets for each employee authorized on the grant.
- ♦ OCJS funds and expenses should be kept and recorded in a separate account so that funds can be accurately accounted for separately from other funds received by SCLC.
- ♦ General ledger and detailed records should be included in the grant binder to support all expense payments, showing reimbursement for cash receipts and substantiating all employee payments.
- ♦ Only approved program expenses related to the grant should be reported on the Reimbursement Claim as they occur which will make the reconciliation of each quarters' expenses and receipts consistent with the amount being requested on the reimbursement claim. Each reimbursement claim is for a specific time period and only expenses incurred during that time period may be reported for reimbursement.
- ♦ Provide detailed backup for the amounts reported on the Reimbursement Claim, and referencing where the supporting documentation is located.
- ♦ It is highly recommended that responsibilities of bank reconciliation, reconciliation review and the signing of checks be shared among more than one employee. There should be documentation or some physical evidence of the reconciliation of the bank records containing OCJS funds.

Follow Up:

We will be in contact with you if:

- ♦ There are any questions that you may have concerning this letter.
- ♦ **To schedule a 30-day follow-up onsite review.**
- ♦ What corrective action (if any) has been implemented from the recommendations listed above, or if an alternate solution or procedure has been put in place.

I appreciate very much the time that you and your staff took out of your schedule and also the assistance that was provided during my visit. If you have any questions or comments concerning this letter or the review, please contact me.

Sincerely,

*(Your Name),
Compliance Monitor*

cc: Walter Brown, Director, Grants Monitoring and Fiscal Compliance, OCJS
Bob Painter, Regional Programs Manager, OCJS-TS

Appendix G:



- Administration
- Bureau of Motor Vehicles
- Emergency Management Agency
- Emergency Medical Services
- **Office of Criminal Justice Services**
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John Kasich, Governor
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TOTAL NO. OF PAGES INCLUDING COVER:

FAX NUMBER:

RE :

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY PLEASE RECYCLE

NOTES/COMMENTS:

Dear _____,

I have enclosed a copy of our letter confirming our follow-up appointment with you for **25, 2012** at :00 a.m./p.m. If you have any questions, you may give me a call at **(614) 728-0000**. Have a good day.

Sincerely,

*(Your Name),
Compliance Monitor*

Mission Statement

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www.ocjs.ohio.gov

(Date)

(Subrecipient Contact Name)

(Subrecipient – Implementing Agency)

(Address)

(City) (State) (Zip Code)

Subject: Onsite Monitoring Visit for
(Grant Program Number), (Subgrant Title)

Dear Program Director,

This letter is to confirm the follow-up onsite monitoring review for the above listed grant programs, to be conducted on **(insert date)** at approximately **(insert time)**. The purpose of our visit is to ensure that the recommendations for improvement provided in the Summary Letter dated **April 5, 2012** have been properly implemented. This visit is part of our compliance with OMB Circular A-133 subrecipient monitoring requirements.

The review will include examining documentation supporting grant receipts and expenditures as outlined in the summary letter dated (insert date). All of the items listed below should be available for review as supporting documentation for expenditures in the budgeted areas of your grant programs:

- **Grant Binders**
- **Bank Statements and Account Reconciliations**
- **General Ledger Reports**
- **Receipts, Deposits, or Pay-Ins**
- **Detailed Payroll Earning Register**
- **Individual Payroll Timesheets and Activity Reports**
- **Fringe Benefits Rate Support**
- **Written Summary of Corrective Actions Implemented from the Reconciliations**

Please ensure all files and supporting documentation that you utilized to prepare your grant payment requests are available for review. Also, please have personnel responsible for the information related to this grant program available to respond to questions or concerns that may arise during the on-site visit. Additional records may be requested and examined during this review.

Mission Statement

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Ohio Department of Public Safety

Page 2

Prior to the conclusion of the on-site visit, any questions, concerns or recommendation will be discussed with you, in an attempt to resolve as many issues as possible. Subsequently, a written summary of the on-site monitoring reviewing will be provided to the subrecipient. If you have any questions concerning this request please contact me at **(614) 728-0000**.

Sincerely,

*(Your Name),
Compliance Monitor*

Appendix H:



- Administration
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Columbus, Ohio 43218-2632
(614) 466-7782
www.ocjs.ohio.gov

Sent Via Facsimile

September 24, 2012

(Subrecipient Contact Name)
(Subrecipient – Implementing Agency)
(Address)
(City) (State) (Zip Code)

Subject: Onsite Monitoring Visit for
(Grant Program Number), (Subgrant Title)

Dear (Subrecipient Contact Name),

This letter is a summary of the follow-up onsite monitoring review for the above listed grant programs that was conducted on **September 22, 2012**. The purpose of this letter is to follow-up on the corrective actions taken based on the recommendations for improvement provided in the Summary Letter dated **August 23, 2012** have been properly implemented.

Personnel met with:

- ◆ _____

Follow-Up Monitoring Observations:

- ◆ The Grant Binder(s) were organized and the backup documentation for the Reimbursement claim were kept in an organized fashion.
- ◆ A separate fund account was maintained for the Revenues (including match) and Expenses showing all activity related to the OCJS expenses for the OCJS-TS grant.
- ◆ Was able to verify all activity reported to the Reimbursement claim back to the back-up documentation.
- ◆ All grant budgets were revised as suggested reflecting the current spending plans for the grants.
- ◆ Was able to verify all necessary financial information was included within the grant binder(s).

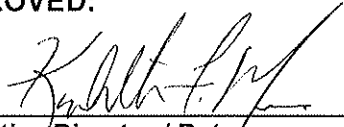
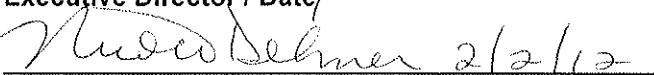

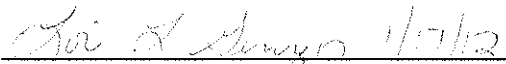
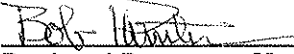
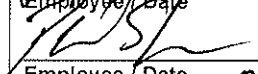
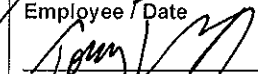
Closing Comments:

Necessary corrective action has been implemented from the Summary Letter dated **August 23, 2012**. This letter concludes our monitoring for the grants listed above for the calendar year. I appreciate very much the time that you and your staff took out of your schedule and also the assistance that was provided during my follow-up visit. If you have any questions or comments concerning this letter or the review, please contact me at **(614) 728-0000**.

Sincerely,

*(Your Name),
Compliance Monitor*

cc: Walter Brown, Director, Grants Monitoring and Fiscal Compliance, OCJS
Bob Painter, Regional Programs Manager, OCJS-TS

Policy Name: On-site Monitoring	Policy Number: 6.1
I have read and understand the above policy.	APPROVED:
<i>Michelle D. Liberati-Cobb</i> 1/17/12 Employee / Date	 2/15/12 Executive Director / Date
<i>Leah Cook-Slob</i> 1/20/12 Employee / Date	 2/2/12 Chief Policy Advisor / Date
<i>Morgan Meggett</i> 1/20/2012 Employee / Date	<i>Walter W. Brown</i> 1/31/12 Director, Grants Monitoring and Fiscal Compliance / Date
<i>Anne Stalwys</i> 1/23/2012 Employee / Date	 1/21/12 Traffic Safety Administrator / Date
<i>Shan Capul</i> 2/8/2012 Employee / Date	 1/7/12 Business Manager / Date
<i>Diana Meehan</i> 2/1/2012 Employee / Date	 01-23-2012 Regional Programs Manager / Date
 2/8/12 Employee / Date	 Comments:
 2/8/12 Employee / Date	
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