**Assessing the Health of Your CIL: Preventative Management Checkup Using RSA's Review Tool, Part 2: Administrative/Fiscal Review**

**presented by Paula McElwee on May 8, 2013**

>> TIM FUCHS: Good afternoon everybody. This is Tim with the   
National Council on Independent Living and thanks for coming back to   
part 2 of the series of assessing the health of your center for   
independent living presented by CIL-NET. IL-NET operated through a   
partnership through the ILRU utilization program, and the   
association of program for rural independent living, with support   
provided by RSA at the U.S. Department of Education.  
I thank you for your patience in the delay last week and for   
joining the teleconference today. This is how I participate in   
these calls, even when I am not moderating.  
The audio is good, there are no surprises, but you still have the   
functionality of the webinar. I trust you can all hear well, and we   
will of course citying running the Power Point and "chat" on the web   
that are screen.  
We are recording the call today for the purposes of archive.   
Last week's archive is already up. We will break several times to   
to answer your questions, as well as at the end.  
In the web that are you can use the public chat text box under   
the emoticons to ask questions. They don't always display   
immediately, but we do see he them, so don't worry.  
For those on the teleconference, like the operator said, you can   
a press 7. We will remind you of those instructions.  
If you don't have the power points for today, they were sent in   
the confirmation e-mail that you received.  
And if you don't have them handy, you can e-mail me tim@ncil.org   
and I will send them to you. Just like last week's call, it will be   
easier to follow along with those power points, in fact it is   
essential. I can send them to you right now.  
And don't forget to fill out the evaluation at the end of the   
call.  
On the web that are you can click to a live link on the last   
slide, and if you are only on the teleconference, you can find the   
evaluation in the confirmation.  
There is a separate evaluation for today's call, versus last   
week's call. The content is separate, so please do fill out an   
evaluation form.  
Again, if you are participating in a group, like I know a lot of   
you are, great. But do fill out the evaluation as an individual.   
We want to know what each person thinks.  
I welcome back Paula McElwee. She did a fantastic job last week.   
I am excited to again hear from her today. Richard Petty is also on   
the phone, is he standing by in case there are questions he may have   
information about. He is also with us.  
Paula, let's get started. I will go to Slide 2.  
>> PAULA: Thanks so much for hosting this. It was so much fun   
last week, and today I think will be a bit more varied and a little   
better paced, there isn't quite as much information. Maybe we will   
have time for even more questions and answers.  
I thank all who participated last week answered who sent a   
question later, it was fabulous. We answered all of them.  
There was one question I want to mention before we get into the   
content which came up quite a bit.  
It is the question: Do the four core services need to be   
provided to every person? And the answer is that every person who   
has a CSR record and plan or waiver on that plan would be expected   
to have at least one core service.  
The reviewers expect to see evidence of all the core services   
when they look at a sampling of your records, not just one   
individual record. Hopefully that clarification is hopeful, as that   
question came up several times. It was probably a question other   
folks had as well. Just wanted to clarify that.  
A quick review of what we're doing and why, we are using RSA's   
actual review tool, and you have the link to that in your last   
presentation. It is also online.  
That way if they make changes to that tool, you will be able to   
see that. It lays out their CIL expectations in a checklist format.   
It gives you a chance to review and look at the same questions they   
will look at when they go through and do a review.  
So using it in your own internal review better prepares you for   
the onsite review from RSA. That is why we are using that review   
tool.  
Last week we also gave you a link to a checklist they informally   
use to review consumer service records. As a head's up, that was   
changed by RSA. There is an updated link.  
So if you already updated the link, you may want to go back and   
update it again because there is a small change in one of the items.   
We try to keep it up to date, and there was a change between last   
week and the present time.  
Moving to the next slide, we are actually covering the checklist   
item that are in that onsite checklist. At the end of each item, we   
are going to also talk about recommendations.  
So the checklist gives you the text of what it is that they are   
looking for, and if you don't have it, they would would cite you   
with a finding requiring corrective action.  
Also they often give recommend daipses in that area. That is a   
practice are RSA suggests. It may be included in your report if you   
don't meet it, but they don't require a plan of correction on that.  
However, the suggestion may be useful to you. We are seeing some   
suggestions that come unfairly frequently, so we want to pass them   
along as best practice suggestion that is RSA gives when they do   
their onsits.  
So you will see a question, a recommendation if there have been   
some in some of the RSA reports you have been interested in.  
And then also any tips or suggestions we they may be useful to   
you related to that section.  
Next slide. We looked at evaluation standards 1-5 in the last   
session. Now we are starting with Standard 6. It has to do with   
resource development activities.  
The checklist item is that the center shall conduct resource   
development activities to obtain funding from other sources, other   
than chapter 1 of title 7 of the rehabilitation act, which is where   
our part B and C funds come from in the centers for independent   
living.  
The evidence they look for related to that, did you have   
activities to raise other money? And were you able to do that, as   
part of your operations of your centers?  
So there really is a strong emphasis on centers becoming more   
diverse in their funding, and not only depending on Title 7 funds.  
So the onsite reviewers will be looking at that.  
And some things you might show them related to your resource   
development would be if you wrote grants to other organizations in   
your community or state, perhaps even other national applications,   
are you doing anything that you charge for? Do you have fees for   
any of your services that are generating additional income for your   
center?  
And of course, some centers do event-driven fundraising, while   
others do fundraising activities and letters. So think about what   
you are doing related to resource development.  
Related to that, I know that the practical side -- and this isn't   
on the slide but I want to mention it kind of in passing. The   
practical side is that Boards are not always very comfortable with   
their fundraising responsibilities.  
And you may want to share with your Board that there is a   
expectation for resource development, and it would be expected that   
Boards are involved in that, not just staff. So you might kind of   
keep that in mind as a piece of this discussion.  
The next thing they look at is your program and financial   
objectives. They want to know that you have established an annual   
and three-year program and financial planning objectives.  
When you do your budget, you do look at a three-year budget for   
your CIL. So you have looked at some aspects of a financial plan.   
But here they are looking at what you expect to accomplish with   
those funds and anything else you are doing with your CIL, what you   
expect to accomplish during that period of time, and actually to   
have both program and financial planning objectives in some sort of   
a plan.  
Now the objectives also need to include the goals your CIL said   
you would accomplish relating to your grant, and they need to relate   
back to your mission.  
Notice this time difference which we will come back to. But also   
that you have a current to-year work plan for achieving the goals or   
the mission, including specific activities to meet those   
requirements.  
The work plan has to have more specific information for each of   
the item that you are putting together in your established and   
three-year program and financial plan.  
Think of it as you have the broad-stroke things you have which   
are sometimes called long range goals, sometimes vision statements   
or other things that get you going in a Broadway. But then in the   
work plan, what specifically are you going to do?  
So the question would be that objectives will staff be doing, who   
is responsible for that, what is the timeline for that specific to   
your work plan, specific activities to accomplish that longer-range   
portion of your plan.  
If you have had a review, one thing that needs to be in your work   
plan, any corrective action that you are adding. If you have a work   
plan or you are developing it as a result of a corrective action   
plan because of a review, everything that you said you are going to   
do in your corrective action would make sense to include in this   
work plan.  
  
Now, your actual corrective action plan has the persons   
responsible and due dates and usually there is comments back and   
forth and you and RSA decide exactly what that will look like. But   
those pieces would be moved over to be included in your overall plan  
That way as you look at that information, you are able to do   
that.  
I just had a little bleep in my power. Can someone verify you   
can still hear me?  
>> TIM: Yes, we can.  
>> PAULA: Okay. It was just a little bleep. My computer is   
coming back up now. It won't take very long. Of course we need   
something to happen to keep us all awake!  
>> TIM: Shall I move to Slide 7 while you are getting going?  
>> PAULA: Yes. As you look at the work plan, we suggest that   
you make one overall plan to include not just objectives, but also   
other objectives so that you cover all the thing you intend to do   
for Board, for staff and also sometime for volunteers.  
That way you are looking at your center activities in a   
comprehensive way. Sometimes it is called "strategic planning" and   
that piece is part of this. You can roll your strategic plan into   
this kind of detail, or you can do this separately, but they should   
connect to each other.  
They should make sense so your mission and any strategic goals or   
vision you identify with your Board should flow into the work plan   
with objectives and goals that are measurable, you know who is   
responsible and you have target dates to accomplish them.  
We also are seeing recommendations from RSA on making sure there   
is a training plan for the Board and volunteers. They will make a   
finding, if there is not a training plan for staff, but a   
recommendation or suggestion, as well as if there is not a plan for   
Board and volunteers too.  
When you update that, you may think about what is your plan for   
new and continuing Board members, and what is your orientation for   
new staff and volunteers, as well as continuing staff, and your work   
plan answers a lot of those questions and keeps you on track with   
keeping everybody up to date on the skills.  
Let's look at the next one. We see this cited fairly frequently.   
This is your 704 accuracy and documentation. You know this is   
submitted on an annual basis and the content is used by RSA.   
Sometimes I think they use all of they will together, sometimes they   
use them individually as they look at specific centers, but one   
thing they probe for is the accuracy of the report.  
They want to know you have implemented whatever internal controls   
and procedures are needed, including maybe quality assurance   
elements to make sure the 704 report is accurate and documented.  
Some centers have fairly sophisticated software options which   
help with that collection an documentation for the 704 report.  
That is fine, but not required.  
If you are very small and haven't yet come up with a software   
option you want, or, as some centers -- I have seen some centers do   
switching from one to another software because you have become   
convinced that this one is better.  
It doesn't matter where you are in the process, whatever you do,   
you have to show the accuracy of your data. So as you look at how   
you report on the persons that you serve, your software program or   
your hand-held program need to agree with what is in the consumer   
record about the services delivered.  
One of the things we see fairly frequently cited, folks are   
documenting everything that happens with the consumer, which is   
fine. But they are documenting each interaction as a separate goal,   
not just a separate contact.  
And you want to be careful about that because you went to make   
sure you are not over counting goals met by counting every   
interaction with the consumer.  
So you are looking at your file and documentation, but not in a   
way as to over count the numbers of contact with your folks. The   
double-check RSA will do onsite and that you can certainly do in   
your own review, to ask the question if there is continuity between   
what your staff are entering into the computer, any periodic reports   
you create.  
Some of you do a quarterly report for your state or Board, some   
do monthly report, something do something semiannual. But does it   
all agree, so that your information and computer entry, and your   
periodic reports and last 704 reports tie together without   
over counting or other kinds of things happening.  
If it doesn't make sense, you need to be sorting out what you   
will do about that, and you need to begin to correct that now. Last   
week we talked about the fact there is a strong indication that you   
ought to be doing some of your internal CSR review, at least   
annually to review if people are still being served appropriately   
and are their goals being met.  
This can be part of that review. So you can look for 704   
continuity as part of the CSR review. So think about that as a   
process that might streamline a little, helping you see continuity   
across all the program you provide and all the different service   
providers that are in your organization.  
The next area on the next slide, organization and personnel   
practices. Here we look at a number of things. These bullets are   
all things on the checklist, using sound organizational and   
personnel assignment practices.  
That usually has to do with a cheer organizational chart that has   
a title and indicates who reports to whom, lines of authority. Also   
that you have a job description for each position, and that you have   
some sort of a performance appraisal process regularly done within   
your organization.  
We see organizations cited for inconsistency in these, as well as   
not having them. So sometimes you will have an organizational chart   
with different titles than what is on the job description, for   
example.  
You really want to watch that and make sure you keep the job   
description and the organizational chart and your budget you submit   
to RSA, that there is some continuity there and some consistency on   
that you call things.  
If you have a tendency to change titles, make sure you go back   
and ask yourself if you changed it everywhere it needed to be   
changed which may also include policies and procedures, but   
certainly your organizational chart and job description.  
Also, affirmative action for qualified individuals with   
significant disabilities will be an expectation that they see   
individuals are working for you that either have a visible   
individual or have self-disclosed they have a significant   
disability. They will expect to see some activity in that area, so   
that is another consumer control checklist piece.  
Also on a fairly regular basis they have recommended that your   
personnel policies be written, and that they address your wage and   
salary process, whatever that is.  
So how frequently people are paid and how that works, what they   
have to turn in to you related to that, any fringe benefits you   
provide, vacation and sick leave accrual and so forth.  
So you will often see a recommendation in addition, if there are   
not personnel policies addressing those elements, as well as any   
other elements that appear problematic when they are onsite.  
And then staff development and training. I know we just talked   
about this, but we're going to talk about it again because it shows   
up again in the checklist.  
They first want to know that you have personnel who are   
specialists in the development and provision of IL services and in   
the development and support of centers. So you have personnel with   
experience in some way, who make it possible for them to be a   
specialist.  
Now it isn't defined beyond that, so you need to look back at the   
job descriptions about the qualifications you require, and does it   
show you have capable personnel doing the job they were hired to do.  
Also they look at a staff development program directed at   
improving the skills of staff.  
How can you make sure your staff directly knows how to provide IL   
services, understand and practice IL philosophy. Those come up on a   
fairly frequent basis.  
If you look back at our website ILRU.org, you will find a number   
of staff development pieces that are very helpful. There is a   
section on the four core services that people can go through and   
understand the services as they are provided.  
We have a set of training on the consumer service record itself   
and the processes around that which are excellent, and we have a   
really fine history and philosophy. It was out on DVD and is still   
available onsite.  
All of those have accessible formats so that you can get them to   
meet the different needs of your staff. If you do a rapid course,   
you get a certificate that says you completed it, and you can put   
that in the personnel file.  
So take a look at some of that training. It really hits these   
issues well. Some of it is excellent to review before you go into   
planning. Because remembering where we come from and what we   
believe, that is foundation alto how we actually do our work plan,   
how we move forward into the future.  
This last item in this section on the checklist, that staff   
receive training on how to serve unserved or underserved minority   
groups.  
They will typically look to see who you have identified in your   
community to see who is underserved or unserved because that will   
differ from one community to the next.  
They specifically mention minority groups because minority groups   
often fall into that category, and they specifically mention the   
challenge between urban and rural settings, and the populations   
contained in those settings because it very much changes the access   
people have to services.  
So how are you responding to that, and this is more than   
diversity training. Diversity training would be a piece and you can   
kind of see that if you think about a minority group, so they ought   
to relate well with whoever the minority groups are in your   
particular area.  
And they ought to understand the difference between urban and   
rural culture. There is a couple churl difference there that is not   
usually ethnically driven, but usually it is quite obvious, the   
differences in those two areas.  
Look at who your unserved and underserved populations and think   
about what your staff needs to know to be effective to provide   
services to them.  
And remember often we see the recommendation to the Board for   
training and development as a part of this as well.  
Next slides is conflicts of interest. Here we look at safeguards   
against employee, board member or volunteers participating in an   
administrative decision that benefits that person or their immediate   
family or a business interest of theirs.  
It also safeguards against any person using a position for a   
purpose that is or gives of appearance of being motivated by   
personal gain, either financial or other, either for yourself or   
others.  
But if the position is being used or gives the appearance of   
being used for personal gain, it would be problematic. This gets   
cited a couple different ways.  
Sometimes there isn't a written policy anywhere, and you want to   
have a written policy, typically. That way you know the employee or   
the board member and the volunteer understand conflicts of interest   
are not acceptable.  
And if they have a conflict, they should be disclosing it; it is   
usually a portion of the actual policy, especially for a Board   
member. You would typically see that they disclose the conflict and   
that they would not participate in the conversation or decision   
about that, and the rest of the Board would make the decision:   
Especially in rural areas if the Board member is a only person you   
can buy a fridge from, they just wouldn't participate in that   
discussion, not that your Board would participate in deciding to buy   
a refrigerator, but you understand the concept.  
You don't want that person is make a decision who is likely to   
benefit from it, but it also applies to employees. For example, if   
my husband as a season business and I want you to buy from him, we   
need to know what are the safe guards against doing that in a way   
that is providing a financial gain that is unfair and not in the   
best interests of the center.  
  
Typically these are written policies, and typically the employee,   
the Board member or volunteer acknowledges them with a signature,   
and then you file them in a file folder that is for each Board   
member or the Borpd as a whole, and for each employee or volunteer.   
That way everybody knows yes they were inform of the conflicts of   
interest procedures and they are filed away and can be reviewed if   
necessary  
Next slide, confidentiality. It is the same kind of thing.   
Making people understand they understand this subject and its   
responsibilities, it is often put in a policy that people sign that   
they received. We look for adopted and implemented policies and   
procedures that safeguard the confidentiality of all personal   
information.  
They give examples like photographs or publicity releases, lists   
of names. And the list of names is probably one that sneaks up on   
centers sometimes.  
This is because you have a list of the peer support group, a list   
of the people who want to participate in a certain advocacy event,   
and are those being protected in the same way as the consumer   
service record.  
That is a good question to ask yourself, is not just their actual   
record, but other things that might be important and can include or   
may include personal information.  
There is a reference you there you can pick up for the actual   
requirements, but they want you to protect not just current   
information, but also stored personal information too.  
One place RSA sometime finds a problem, if a staff person is   
working on files, maybe you do that once a month or one day on the   
end of the week to catch up on the computer.  
Whether it is paper or computer, if anyone wax away from their   
desk and leaves it unsecured, it is considered to be a   
confidentiality problem.  
So you want to make sure your staff is very conscious of the fact   
this if they have personal information regarding a consumer or   
person, they should be taking that information and also taking a   
look at do they need to lock it in a drawer or take it back to the   
place it originally was.  
So it is what do they need to do to protect it? No one should be   
walking away and leaving it open where others might gain   
confidential information.  
The other thing we are seeing around confidentiality has to do   
with meeting space. Sometime in very small centers when you are   
meeting with somebody at your desk, there isn't the kind of   
confidentiality you may need or want.  
So think about that, and think about is there a place where   
people can take a look at offing a more confidential place for those   
conversations.  
Even if it is a very small shared office or some kind of an space   
across the hall the organization shares with other people that you   
can reserve, you probably need to look at your space.  
And then you need to ask if we have meeting space that ensures   
confidentiality is protected when consumers meet with staff. This   
is a recommendation, not a requirement at this point in time.  
It is, however, seen as something of concern. So recommendations   
may come with this. At this point we haven't seen findings related   
to that, but if there was a clear violation, I suppose that could   
also come up.  
The next one we look at, drug-free workplace. There is a section   
on this topic. We look here at your published statements. There   
are some specific things in the drug-free workplate notification   
required for recipients of federal funds.  
One is a published statement to notify employees it is not lawful   
to manufacture or distribute or possess or use controlled   
substances. A lot of times this is another one of those statements   
in the back of a personnel handbook and staff signs off that they   
receive it.  
So someway you need to know your staff received it, because   
looking down further, each employee has to be given a copy, and   
signing receipt of it kind of proves that piece.  
You need an established drug-free on going awareness program.   
What we suggest, when you look at that staff development plan that   
is required in your work plan and under the section on staff   
development, the drug-free awareness is one of the items in your   
staff development program.  
If you do a little bit of staff development at a monthly staff   
meeting he have year, you might have 12 topics you cover in   
drug-free workplace might be one of them.  
That way you make sure you have an established ongoing awareness   
around drug-free workplace. And sometimes you will find that you   
have someone else who would provide that for you. Sometimes an   
insurance carrier will do that, a health insurance carrier or some   
kind of an employee assistance program, the employee of that program   
will provide that.  
We mention each person is given a copy. If there is a   
conviction, what you do about it is also a part of this drug-free   
workplace. You either need to take appropriate personnel action, or   
require them to participate in some kind of rehab program, which is   
a little tricky to sort out sometime.  
But they want to see evidence that you behaved appropriately if   
something comes up, and they also want to see the language in your   
policy that backs up that you are taking appropriate personnel   
action, whatever that looks like for your organization.  
Next they look at insurance coverage. Let's look at that. They   
want to know that you have insurance coverage for real property and   
equipment acquired with federal funds equivalent to that provided   
for the property that you own.  
At this point it isn't talking about other kinds of risk   
management. As a manager you will do other kinds of risk   
management. You may very well recommend or your Board may recommend   
certain limits for directors and officers insurance or other kinds   
of risk management pieces, but it isn't in the check list.  
The property is the only thing in the checklist, property and   
equipment.  
They want to know that your protection is the same for their   
property as it is what you own. So what you bought with a grant,   
what was acquired with federal funds, it needs to be the same here.  
As a tip, they want to see the Board is serious about fiduciary   
responsibilities and risk management is part of that.  
Make sure your minutes reflect that when there is a discussion   
around that. It may include how you mitigate risks, maybe policies   
and procedures about how you secure the building. It might be other   
things, including selection of coverage and reviewing that   
periodically.  
It isn't required, but it is a good practice to show the Board is   
taking that risk management piece seriously. You may want to take a   
look at that as well.  
The next area is nondiscrimination on the next slide. Let's look   
at that. Here they want to know that you do not deny services on   
the basis of race, color, national origin, session, existence of   
disability.  
Some of your states may have additional categories, but these are   
the actual federal categories from the checklist. This is a   
required policy, so put it in writing.  
Provide this to staff in a handbook or the sign-off sheet you do   
at orientation or whatever.  
And then also post it on your bulletin board to show how you   
handle a complaint if there was one. Make sure people nope the   
complaint process.  
So if somebody asks that would you do if you feel you were being   
discriminated against, what would you do? So take a look at all   
those pieces.  
You do not deny services, that is the actual checklist item, but   
they will look for a policy and procedure related to that.  
The last one before questions and answers, prohibition against   
lobbying. They will expect something very specific, and that is   
that you will not use federal funds to influence or attempt to do   
that to Congress through lobbying.  
There is a reference there for the form and other references   
related to that, and they expect that you would keep that on file.  
So you fill out the form, the Board and you review it, you sign   
and date it, and you have that on file that you understand. So it   
is your certification of understanding of what the lobbying   
requirements.  
We feel it is good to sort this out in detail, because we often   
have the advocacy versus lobbying conversation, and we need to know   
the difference and incorporate provisions consistent with these   
federal regulations into your written policies and procedures so you   
are very clear on this matter. That is very helpful.  
We are going to go to questions and answers here, and I have one   
reference that came across from one of the other presenters about   
the consistency of the records, of the CSRs.  
One of the things you need to know, sometime during review -- so   
it is good practice when you do your own review to back up that is   
in the written consumer service record by picking up the phone and   
talking to the consumer.  
Sometimes that will actually happen during your RSA review, and   
it is a good thing to remember. They may call any of the people   
whose file they draw, and they can draw any file they want. You   
need to make sure you are consistent with the records in addition to   
being consistent with 704 report.  
Time for questions and answers.  
>> TIM: This are no questions pending in the web that are. I   
will have the operator remind everyone about the process.  
>> If you do have a question on liept, press Number 7 on the   
telephone keypad. Question from Julie Shaw.  
>> Participant: We have three questions. First, is there the   
ability for a CIL to reduce their insurance coverage if it is well   
above property owned and exceeds grant amount?  
>> PAULA: You want an answer to that one first?  
>> Participant: Yes.  
>> PAULA: The question about how much insurance coverage you   
have, that is a Board decision. This it is not something specified   
beyond that one standard, not something specified. However you do   
want to look at what is good practice for a not for profit.  
You want to ask the question: How much risk management do I need   
to be doing related to my environment and what is expected here?   
About but that is totally up to you. The Board makes that decision   
as part of the fiduciary responsibility. I know that isn't an   
"answer" answer, but that is up to you.  
>> Participant: Under the nondiscrimination slide, Slide 15 you   
speak to the existence of a disability. Does that include type of   
disability? Let me further explain.  
We are a young CIL, so in implementing services based on   
community input, et cetera, we implemented services that don't   
duplicate anything that is available in the community. If there is   
another program that is specifically funded to serve a person with a   
specific type of disability the same service, but it is a   
specialized service, are we then obligated to provide it?  
>> PAULA: You are obligated not to discriminate in the   
provisions of the four core services if the person chooses you as   
the service provider. #.  
>> Participant: So there is no provision be made to duplication   
of services by CILs?  
>> PAULA: No. The expectation is we are cross-disability, and   
anyone coming to us for the core services would receive them from   
us. We can talk to them about community options. We want to open   
the doors and have collaboration.  
But we won't thawrn person away on the basis of someone else   
specializing in their disability.  
>> Participant: Third question. If you have a consumer who   
wants to volunteer at the agency, and they have the dual role of   
consumer and volunteer, can that be interpreted to mean there is   
then a conflict of interest, even though there is no financial gain?  
>> PAULA: . Not typically. A consumer controlled agency, we   
have a dual role for all of us.  
There are times when staff members may access a service because   
they have a disability, and that is the reality of the fact we have   
that consumer control.  
We will be in a position sometimes where employees will also need   
to be consumers, persons who receive a service. And sometimes Board   
members will be persons who receive a service.  
So receiving services from a center is not, in and of itself, a   
conflict. It would only be a conflict if they got special treatment   
in some way or got something nobody else could get, or there was   
some kind of other financial advantage.  
So because we are consumer-run we will always see that mix of   
role where Board members or volunteers or staff persons are also   
consumers of services. It is a reality of what we do, and not a   
conflict in and of itself.  
>> Participant: One more clarifying question. On duplication of   
services, an example would be we run a service animal program under   
IL skills training.  
If you need a guide dog, you go to a guide dog school, and we   
don't train guide dogs here. Would we be obligated to train guide   
dogs because we provide a service animal program?  
>> PAULA: No, you are only to provide the four core services.   
Go back and look at the four core services training we have online.   
Independent living skill training is probably what the service   
animals fall under, and you don't have to provide every possible   
independent skill as long as you meet individualized needs related   
to living skills. Does that make sense?  
>> Per test pant: Yes.  
>> PAULA: Not every skill but the skills that match up with the   
skill folks are saying they want you to help them meet.  
>> TIM: I will jump in here. We have a lot of good questions   
rolling in on the web that are. I will take them in the order in   
which they were received.  
First from Charlotte Stewart who asks if you can share a sample   
to your work plan with her.  
>> PAULA: We probably can. I have three or four that have given   
me permission to share them. They are very different, one to the   
next. Sometime they are written in chart form, sometimes narrative   
form. Sometime the center decides to put in a lot of background   
because they feel the philosophy is so important, they don't want to   
tell you what they're going to do until they tell you why.  
I think all those are valid opportunities, but let me get further   
permission from a couple of those to put them up on the wiki.   
Charlotte, my e-mail address is at the end of the presentation. I   
have had a couple samples that I can't say are perfect, but it shows   
the direction centers are going.  
They haven't been vetted by RSA, they are a centers approach, but   
I think it would be helpful and I have permission to share them.  
>> TIM: Thanks, Paula. Let me know if you have a couple. I   
easily get them to the registrar, and we will do that.  
Second question from Bonnie Worth: You are aware of any other   
types of training for Board of Director members that may be free or   
lower cost?  
>> PAULA: Any other types? Not sure where you are being with   
that, Bonnie. We have a lot of training on our with web page that   
is important training for Boards.  
So if you type in "Board" and look at that, you will find some.   
We will also be shortly putting together and online a self-study   
training document. So there will be a handbook Board members can   
look at.  
But we recommend Board members understand the history and fill as   
see, and that section is a four-part session, about a half-hour   
each. A lot of centers have their Boards take a look at that, and   
the Boards will actually review it ahead of time.  
And then you have a short discussion based on the study questions   
that we provide. That is a real good way to get to the IL   
information. Also there are excellent online resources for reading   
about Boards, like the Board Cafe and Blue Avocado, both excellent   
places to find articles about Boards free of charge you can find   
online.  
So while it is not a training session so to speak, it certainly   
is training available to you in written format which you may want to   
take a look at.  
>> TIM: Great, and I just posted the link. You gave some other   
great resources. But as far as IL-NET training, I put a link in the   
archives to see if any are helpful.  
I will take two quick clarification questions we received before   
we go back to the phone. For those still waiting on the web, thanks   
for your patience. We will get to your questions.  
First question: On last week's call we talked about the 51% of   
majority requirement of staff, persons with disabilities, not   
"significant" disabilities. Is it 51% persons with disabilities or   
significant disabilities?  
>> PAULA: 51 percent persons with disabilities, but in the   
nondiscrimination portion of the checklist, they look to make sure   
that you didn't exclude persons with significant disabilities   
because of that disability when you did your hiring process. I will   
repeat it because it is like two difference pieces.  
Piece one, 51% of the staff may have a disability,   
self-disclosed, not required to be significant. But they also want   
to look at your nondiscrimination when you are hiring to make sure   
that you did not exclude persons with significant disabilities in a   
discriminatory way.  
TIM: Thanks. Second clarification before going back to the   
phone, question asking if we can clarify the comment on Slide 8 when   
you spoke about goals and contexts related to overcounting.  
>> PAULA: This has been something interesting that came unfairly   
recently. It was related to a specific review.  
When the RSA reviewers looked at the numbers in the 704 report   
and looked at the CSR, they saw that every entry in the CSR was   
counted as a service by that center.  
So instead of the services accomplishing a goal which might have   
-- let's say 24 # a time you contact the person or the person   
contacts you related to accomplishing that goal, the goal itself is   
the count, one goal. Not the 25 times you talked.  
>> TIM: Let's go back to the phone. We will come back to these   
web questions after we take two phone questions.  
>> There is a question on the line from Tammy.  
>> Participant: My question is about resource development on fee   
for service. We had a couple CILs who recently went through a   
review. They had a lot of question regarding self-direct person   
Nell assistance program.  
In the RSA review, they tried to say that the Medicaid funds for   
the personal assistance wasn't fee for service, when those of us who   
do those services actually classified that as "pass-through" funds.   
Can you give some up site on that?  
>> PAULA: Yes, and that brings to mind another issue to mention   
as well.  
When funds are coming to the center that are a hundred percent   
passed through, they are typically not counted. But when there is a   
management fee or some kind of an amount that you get for handling   
that, that portion of it is typically considered program-related   
income. We didn't talk about what happens with the fees for service   
when you raise them, but they are considered by RSA to be   
program-related income.  
That means they are under the same what you can and cannot spend   
the money on, or they might be under the same bucket of how it is   
allocated and how it is allowable, and maybe under some restriction   
about program related income.  
If you are raising money in a different program that is   
unrelated, it will be a little different. It is not necessarily   
program-related. RSA's interpretation has been if the staff person   
who is doing the activity that raises money for you, if they are   
paid through your Title 7 funds, then it is program-related income   
and is subject to the same restrictions.  
Did that answer the question?  
>>  
Participant: Yes.  
  
In this case if we pay for the staff person to manage the   
personal assistance services and all their benefits or salary,   
everything is paid for through the program and no Title 7 funds are   
used, then none of the Title 7 requirements apply?  
>> PAULA: That would be my financing. I am looking forward to   
more explanation around that at our financial training workshop   
coming up later this month.  
And then we also have a workshop on how centers build their   
capacity, including fees for service coming up in June. I hope to   
see more examples of exactly how it has been applied, because there   
are not yet a lot of examples of how that has been interpreted with   
centers.  
>> Participant: We will be at that training. So thank you.  
>> PAULA: Good. Maybe we can pin John down and get his opinion   
on that too.  
>> TIM: Great. Second question from the phones.  
>> Yes, a question from Susan. Press 7 if you have a question.  
>> Participant: Thank you so much for this web that are. It is   
very helpful. I am with the center for independence of the disabled   
in New York City. Can you elaborate a bit on the affirmative action   
planning that is required?  
There are very different kinds of affirmative action plans that   
be created, some are very granular but they tend to respond to   
specific issues that have arisen and present legal issues for an   
organization.  
Can you give some examples of affirmative action plan that pass   
muster or pass the detail you think RSA requires?  
>> PAULA: That you show you don't discriminate on the basis of   
hiring. Significant disabilities is the first focus, and then the   
second time it comes up, nondiscrimination phrase.  
I live in California. One of the things that really struck me   
when I looked at this nondiscrimination piece, it is very different   
from what I am required to do for the state.  
One of the first things each center will have to do is look at   
this as only a starting place because you also have a responsibility   
related to whatever is happening in your own state legally. I guess   
that is my first caution.  
RSA's list is the federal list, not necessarily the same as what   
your state requires. So you want to be sure and look at that.   
Affirmative action isn't actually mentioned here, so what you see is   
nondiscrimination.  
Then if you look back under the -- I'm trying to find it here.  
>> Participant: Slide 9 describes affirmative action. We have   
an EEOC statement, obviously, and we are compliant with federal and   
state and local law.  
But the reference to affirmative action, I wanted further   
explanation of that.  
>> PAULA: That caught me by surprise, as I didn't even remember   
that being in here. I remember you pointing that out.  
It is practices, but notice it isn't a policy.  
The language on the checklist, including affirmative action to   
employ and advance employment for qualified individuals with   
significant disabilities.  
>> Per test pant: Affirmative action has a legal meaning,   
meaning to affirmatively employ and advance. But you didn't mean we   
need an affirmative action plan that had specific targets and goals.   
That is fine.  
  
  
>> PAULA: Thanks so much for bringing that up. All these   
questions have been great.  
>> Participant: If I can sneak this in, on the decision making   
definition in federal regulation, can you elaborate on the   
definition at all?  
>> PAULA: Yes, a little bit. That is typically identified as   
whoever the supervisors are, although it could include someone else   
who has a role.  
The executive director would always be a decision maker and an   
associate director too. Someone in the finance area may or may not   
ab decision-maker, depending upon your structure.  
Some organizations, the person they hire in their finance   
department has a CFO-type role and really is a chief financial   
officer, a participant in the management team, has a lot to say   
about what happens.  
While it other places, they serve more of a bookkeeping role, not   
part of the decision-making process. So whether or not that person   
would be included really depends on their function.  
>> Participant: But someone who is not supervising staff but   
supervises cadres of volunteers?  
>> PAULA: Are they involved in management decisions? Whether it   
is proposing policy, establishing work plans? My guess is over the   
volunteer area, they would be.  
>> Participant: So they are establishing work plans, supervising   
those personnel. One more classification question about   
decision-making.  
We have a person on staff who is a in a unique senior counselor   
position because of their expertise and knowledge of IL services.   
They have a teaching role, but they don't do work plans and they   
don't do personnel supervision, so lateness, et cetera. #.  
Is that or is that not a supervisory role?  
>> PAULA: I would consider it this way: You get to define who   
has a supervisory role. And if you can justify it, they should   
accept it.  
>> Participant: Thank you.  
>> PAULA: You put it in the job description, you identify who   
your management team is and you identify they do indeed meet the   
51%.  
>> Per test pant: Ale he be darned. Thank you.  
  
Who knew.  
>> PAULA: Everybody is there to make a work. I saw a center   
where they had three employees, the executive director didn't have a   
disability, the other two people did. The only way to hit the 51%   
was if all were decision makers, and that might be pushing it. But   
if you can justify it and it makes sense to you, typically it has   
not been something that has come up.  
>> Participant: Okay, great.  
<< TIM: Because of the volume of questions we got, I allowed us   
to take 15 a minutes for this question an answer break, but I want   
to get back to the presentation. For those on the web wanting   
answers to lobbying and fundraising, we will get to those at the end   
of the call. I want Paula to get back to her presentation.  
For the folks at Access Living and wondering about curriculum for   
independent skills training, this link was posted to our most recent   
IL skills training.  
If you are on the telephone it is on the ILRU website training   
website, where you will see the get to the core of it skills   
training. With that, I will go ahead to Slide 18. Let's continue.  
>> PAULA: This is the slide I least want to talk about. This   
allocation issue, personnel allocation, it is a very complicated   
thing. It is a specific regulatory issue cited frequently by RSA   
reviewers.  
But I will tell you what is on the checklist, and then let's talk   
a little bit about that. But we probably won't answer all your   
questions on that one.  
Salaries and wages are charged based on document payrolls   
approved by a responsible official. That is the first checklist   
item. That one is usually okay.  
Usually somebody is checking off on timesheets or whatever the   
actual document is that you use to determine pay. Now, the   
distribution of salaries and wages are supported by personnel   
activity reports, and reflect after the fact determination of actual   
activity of each employee.  
There are many loaded phrases in this one sentence here. So what   
you have is first of all, that the distribution or allocation of   
salaries, that there is a distribution, that is goes into different   
categories based on your funding and how you spread that allocation   
across those funding sources.  
So the first part of that is, there is a distribution of salaries   
and wages. The second part of it, there is a personnel action   
report that tells what the personnel did that supports that   
distribution.  
So the second piece is you have a pay personnel reports their   
activities. And the third piece, the way you allocate it, it is   
across what they actually did, not what you predicted they would do.   
This means if you have someone working under more than one grant,   
under more than one project, you would distribute their salaries and   
wages, and there are other related expenses, across your funding   
sources based on what they actually did.  
That means you have to do it after they did it, not as a   
prediction. Whew! Then the reports are maintained that reflect   
that distribution of activity so you know how staff members are   
being charged to the different grants.  
A good section of the financial management training coming up,   
the three-day workshop in Pennsylvania later in the month will cover   
this area of personnel activity reports and how they work and how   
you do your distribution and your personnel cost allocation, that   
will be specifically handled there.  
It will also be posted on the website, just like we do this   
webinar. That way you will have access to those material and to the   
actual video of the presenters talking about this specific area. I   
am not comfortable answering more than the most basic questions   
about this because it is still kind of -- we're still kinding   
firming up our complete understanding about it.  
And the reason I say that, the Department of Education has a lot   
of layers. There are different ways in which the Department of   
Education informs us on how this all works.  
When you look at the Department of Education information around   
this, sometime we look at the whole big picture to figure out what   
is the best way to do it, and I don't have things like sample forms   
or things like that, but the presenters will have those things for   
you at the workshop and online shortly after.  
So hopefully that will help. Know to the next slide, as I hold   
my breath. Your financial management beyond just the personnel   
action piece, another area with a quite a bit of judgment knee.  
Remember last week we said part of the increased scrutiny comes   
from the fact OMB audited RSA, so the office of management and   
budget looked at the rehabilitation services administration that   
oversees us.  
And OMB asked RSA to be more thorough in looking at fiscal   
management when they come onsite. So we are all stepping up to do   
this as accurately as possible.  
The first thing we will look at, there is an accurate, current   
and complete disclosure of financial results with each   
federally-sponsored project in accordance to the standard Form 425,   
a financial status report you are required to submit.  
They will look to make sure you submitted it and that those   
numbers agree with that they have as far as what you are receiving,   
so accurate, current and complete disclosure.  
Identify adequately the source and application of the funds for   
those federally-sponsored activities, so you know exactly what the   
source was and how you applied them.  
And then the effective control over and accountability for all   
funds, property and other assets to safeguard your assets.  
Now "effective control" will be looked at in several pieces.   
They will look at the what is called the division of lane earn or   
distinct ways in which different people handle the information so   
there is cross-accountability.  
So one person opens the mail, and another person opens the   
checks, or they open the mail together, whatever. So what are your   
internal controls to make sure that you are taking care of the funds   
as they come in.  
As you look at property, what is your control over and   
accountability for property purchased with the grant? You need some   
inventory, policies showing how you bought it, how you can dispose   
of it, your limits on being able to do that. So how do you   
safeguard all the assets to make sure they are only used for the   
grant and not given away in another way.  
So look at how you control and are accountable for how you use   
those funds relayed to property and things you control as well.  
  
On the next slide, we continue the topic. How does your spending   
agree with your budget amounts? So how much did you actually spend   
related to how much you budgeted?  
And sometimes RSA, related to that they will look at the   
percentage of the year that has passed and the percentage of your   
award that you have spent.  
If it is out of balance, they may question you on why have you   
expended 75% of the budget when the year is only 55% over? You are   
overspending here, what is going on? So you will see that question   
asked.  
The next two are written procedures. Remember the word "written"   
is what they will be looking for. They will be looking for written   
procedures that minimize the time teen the transfer of funds and the   
disbursement of funds by the recipient.  
That means RSA would expect, when they come in and look, that   
when you drew money out of the account for the Title 7 money, when   
you drew that money down, you also wrote checks to spend that money   
at about the same time.  
So minimizing the time between when you transfer the money down   
and when you actually spend the money in a way appropriate for that   
tbrant.  
So written procedures on that, and there was a bit of discussion   
on targeting 48 hours for that window. That isn't actually what   
they look at, but they will look at that you have actually done, and   
if it is more than the 4 # # hours, I guess the way to say it, they   
will be more concerned about it.  
So look at what you do. You don't have to make it 48 hours. In   
fact I suggest you don't put an actual timeframe in the written   
procedures; otherwise you will be held to it. But put in the back   
of your mind that is a number that has been bandied about, so it is   
a good target.  
Also look at your written procedures for determining that the   
costs are reasonable, allocatable, and my spell-check doesn't like   
that word, and then allowable.  
You need to know those three things about your cost, and that   
needs to be in writing. One thing we will have in Pennsylvania   
later this month in the training, samples of written procedures for   
all these things. They will also be posted online.  
So when we provide a sample procedure, I know we all kind of do   
it with dated-breath, but it won't work for you that way. You need   
to have your name, the titles match, and you do what you say you   
will.  
But we have some suggestions for written procedures to help you   
with that. The word "reasonable" means that you have checked.  
fix Sometime it is a bidding process, if it is equipment.   
Sometimes reasonable would be showing that you didn't pick the   
resort hotel spa for your meeting, but you instead did something   
mainstream that made more sense, so forth  
That the costs are allocated appropriately. So if you have more   
than one funding source, that you are allocating shared costs like   
rents and management staff and your administrative functions are   
allocated across your funding sources.  
And that the costs be allowable. You will find some things that   
are not allowable, probably some obvious ones would be typically   
food that is questioned.  
I have heard people make really strong statements like: I will   
never buy food with Title 7 money because it is too complicated. Is   
isn't that you can't, but it has to be essential to what is going   
on.  
So feeding your Board just to be social, so you want donuts   
there, that probably won't be an ahowable costs.  
So maybe the Board members may want to take turns to bring them   
or forget having them because none of us need them. But typically   
food will be questioned unless it is an essential part of whatever   
is going on, so know that.  
Alcoholic beverages are typically not considered allowable to   
spend this money on, so you can't do a wine-tieing with RSA's money.  
  
you will find all of this information in the fiscal management   
training which we will go through in detail. And that you keep your   
records, as part of that.  
I am still on the last one on that prior slide -- sorry about   
that. That you keep the records, cost accounting records,   
supporting cost-allocation. That is a hint to me that I need to   
move faster. I will go a little faster.  
>> TIM: It is thinking about catching up now. It will be right   
there.  
>> PAULA: That is fine. I have it in front of me so I can move   
on. You need a cost allocation plan or an incorrect cost rate.   
Most of us look at doing a cost allocation plan, but I know of a   
couple centers -- maybe many more -- that do federal indirect cost   
rate.  
But your cost allocation plan does need to be approved by the   
U.S. us Department of Education and you do need to, once a year,   
tell them that you are either still using the same cost allocation   
and verify it with Department of Education, or you need to update   
your cost allocation plan accordingly.  
Cost allocation plans will also be a huge part of the training we   
will do coming up shortly and it will be available whether or not   
you are able to join us in Pennsylvania.  
Then your administrative costs are distributed equitable manner   
as you describe it in the plan. Some of that may be a little   
complicated, so take a look at the training when it comes back out.   
If you don't have a cost allocation you are comfortable with and you   
feel you need to look at it again, if you haven't gotten U.S.   
Department of Education approval, you need to do that, we will cover   
all those in quite a bit of detail.  
The next slide on accounting system, they will look for a formal   
accounting system. This means you need records on all these. It   
doesn't mean you need to use a specific accounting system.   
Accountants can give along description about what is good or not   
good about cookbooks or whatever it is you want to take a look at.   
It isn't specified, the accounting system you have.  
But you have to have a grant ledger that keeps your moneys   
clearly identified per grant. In a general journal you need to look   
at all the entries there and you need to have a way of receiving in   
your funds.  
You will notice a statement here that the organization determines   
if it is cash or accrual basis. In a minute we will talk about when   
you need to have an independent audit, a single independent audit.  
If you have an independent audit and you have a cash system, that   
is not a generally-accepted accounting practice.  
Since a cash process is not a generally-accepted accounting   
process, you will all have at least that one finding or that one   
statement if you have an independent audit. So tuck that away for   
future reference.  
Let's look at the travel costs. These are reasonable and   
allowable, which means they do not exceed charges allowed under your   
own written policy. Or if you don't have that policy, there is a   
federal rate that is set, and that is doesn't exceed that federal   
rate or is provided for in that way.  
We have seen a situation where centers, especially the last   
couple years with gas costs going up and down, where centers have   
said they pay one amount in their policy, and then they decide to   
update it in their Board minutes, but they haven't got the   
documentation that it isn't in agreement.  
So make sure you keep is it up to date and you may want to tie it   
to another factor so that you don't have to keep changing it, if you   
think that will be helpful for you.  
And that the cost requests are reasonable, that you have actual   
receipts for them. A credit card receipt is typically not   
considered to be the itemized receipt.  
In restaurant charges, this would mean the itemized receipt you   
at the time along with the little one that you sign, the itemized   
receipt would be expected to be turned in to show the cost   
reimbursement is justified and document.  
Because the other one doesn't tell if you bought a tshirt or a   
bet else of wine with your meal. So the itemized is what we look   
for there.  
  
Policy provides reimbursement by actual or per diem which you   
determine, as well as you're howable costs. And you determine how   
you tell if they are reasonable and allowable, but you need to take   
a look at that.  
In the area of procurement, you have to have a written   
procurement procedure, and there is a reference there for you to   
look at. All of this section, all of the second half of this   
presentation will be covered in more detail in the training in   
Pennsylvania.  
But those procedures need to look at cost, quality, delivery,   
competitive bidding, inspection, acceptance. So you notice it isn't   
is a little bit of a discussion on procurement, but it says you have   
to take competitive bidding, as an element, into consideration. And   
see all the over elements there.  
And separation of responsibility of authorization of purchasing   
and subsequent payment. For example, payments are made only if   
disbursements or checks are countersigned, and I don't remember what   
that means.  
That is the language in their checklist. These dots are all   
right in the checklist. I am suddenly drawing a blank under why it   
would be countersigned. I think what they mean there is dual   
signatures on some checks, if the person benefiting from the   
purchase is one of the check signers, you need somebody else to sign   
the check.  
And then under payment vouchers, that they are identified as to   
the funning source, the expense classify kairks the transaction   
date. And a lot of centers just buy a stamp that has all that stuff   
on there.  
So you would actually look at your payment vouchers having a   
stamp, and you would stamp it. And it will have right there your   
funding source, what category this expense goes into and the date.   
It is usually initialed or signed to give the bookkeeper permission   
to cut the check.  
And you know what the limits are. Each staff person knows I can   
only spend a hundred dollars or 5,000 dollars, and how much the   
levels are before it requires that second signature, according to   
your policy or sometime Board approval depending on the level.  
So you need to determine your own policy, have limits established   
and identified in your written policies.  
The next one is property. Again, it requires that you keep   
current and complete records of all the property you purchased with   
grant funds, that you have some kind of a system for controlling   
your inventory.  
Now sometime that is one of those property labels, and you have a   
numbering system and you -- if you have a lot of property, that is a   
are very useful way to keep track of things. Because there may be   
three desks that are the same and you need to know which desk was   
bought with which grant so that you know how to dispose of it and so   
forth.  
But you need to keep records about how you maintain your property   
and equipment. You need to do inventory at least every two years.   
You need to adjust your inventory only upon written authority of a   
designate official.  
That means you can't have somebody at the front desk who decides   
these things are all gone, I will just take it off of there. You   
need a process to determine when there is an adjustment to   
inventory, and that needs to happen according to your own process.  
And those adjustments and how you deal with your property means   
guarding against loss or damage or theft of that property.  
So the policies and procedures have to control both purchasing   
property, but also how you dispose of it, when are you able to do   
that. So can you stake a look at that.  
And your property includes include a description, a purchase   
date, the cost, the serial number or ID number of the source of the   
equipment award number, so you know what the source of the equipment   
was.  
Also, who owns the title, information from which federal   
participation can be calculated. Location and condition of   
equipment, the date it was reported and what you do with the   
equipment.  
Some of us have been doing this for a long, long time. There may   
be a lot of equipment. I have been to centers that have offsite   
storage just for this equipment because they are afraid to ever let   
it go because it is federally-funded, and there are restrictions on   
when you can let it go.  
Some of that is determined by your own policy and procedure, but   
it needs to fit what makes sense related to this, and you need to   
know what happened to it, what was the ultimate disposition.  
So if you turned those old computers to be recycled because they   
fell under your equipment definition as something that needed the to   
be tracked, you need to know what happened to them and what the   
funding was and where they went.  
So you need some property information related to that. They will   
also then look at your records retention, which is the next item.   
They look at least three years.  
And for your state you may have other requirements and other   
sources but federal is financial records and other documentation, so   
all the documentation relayed to these records is retained for a   
period of three years in accordance with federal requirements.  
Now, you may want to keep some information very long-term, like   
if you have an audit, your audit itself, you may want to keep audits   
going back quite a ways.  
You may want to keep your summary information, what you file with   
the IRS and so forth, but you certainly want to keep everything,   
including all backup documentation for a period of three years.  
Remember if you expend more than 500,000 in federal awards, not   
just this one, but any federal award, you are required to have   
annual nonfederal audit including these funds and any other funds   
you received from the federal government.  
And then you have a responsibility to submit it to the federal   
audit clearinghouse if you have more than doll 500,000 dollars.  
  
if you do fiduciary oversight, make sure the Board is involved in   
the report from the auditor. Don't funnel or filter it through the   
executive director, but make sure that the auditor has direct   
contact with your board of directors when they show the results of   
your audit, if you have one.  
The next slide tells you what happens next. If you have a review   
or if you do your own review, if RSA does the review, you will have   
to do corrective action plan with target dates.  
Before you develop that, they will send you a draft report. If   
you disagree with the findings, you can say that you disagree.   
However, most of the time you have had adequate opportunity for   
those conversations during the review itself.  
So usually there are not a lot of changes that happen with that   
draft report. I suggest to centers to get the draft report as soon   
as you can and tell them you either accept or don't accept the   
findings, with your rationale, but start on your corrective action   
plan anyway because you only get a few weeks to do the corrective   
action plan after the finality is back.  
So if you already know you need to make some changes, get started   
on doing that. Again, make sure it is included in your three-year   
program and financial planning objectives for the center.  
If you are doing your own review, you can still follow the same   
process, and you will benefit from it. So make a set of goal and   
objectives having to do with anything you feel is not coming up to   
enough snuff to bring it back to the standards for external review.  
Bring it back to flow through the mission so that you have goals   
and objectives that improve your quality. That would be stuff you   
can do out of this review.  
Some of it will be written stuff, policies and procedures, so you   
are going to need to make sure your written policies and procedures   
are complete and that you are following them, that you are   
implementing them.  
It means training your staff and Board about them and then   
following through in some way. So those would be expectations   
related to the resolution of concern.  
Now let's look just for fun at some of the most frequent or   
common findings. One we are finding on a regular basis, the failure   
to keep the cost allocation plan up to date.  
Remember you need to send an annual review of that to RSA. It   
may just ab statement that says we are still following the cost   
allocation plan developed and approved in 2009.  
That may be that you submit, but you need to submit and keep   
updated the cost allocation plan. We also see a failure to im me   
men the cost allocation plan as kind of a regular concern that is   
fairly common in a finding.  
Once you have your cost allocation plan, you need to make sure   
you apply it. Usually the plan itself has a way, if you get a new   
funning source, you can put that in to the cost allocation, and that   
is usually the place where centers forget to apply it.  
They get a new grant and they don't apply the formula across all   
of the grants; they wait until later. And you need to apply it when   
in your coast allocation plan at that time.  
So your failure to base time allocation on after the fact records   
which we mentioned a little while ago, and Richard has said he will   
answer questions on that as we go through that in a minute.  
And failing to have policies and procedures, especially with   
procurement and disposal of equipment, but also failure to follow   
your own policies and procedures is a fairly common finding.  
So you may write a procedure more restrictive than that RSA   
requires, but they will hold you to your policy and procedure when   
you do your reviews, so make sure you have taken a look at that.  
We do have sample policies and cost allocation plan guidance   
posted for you. Can you look at those documents it will hopefully   
be helpful to you in that respect.  
Okay, that is the end of the checklist for RSA. They have a lot   
to cover. They usually spend several days with you when they come   
out. Your own review will probably take longer because you are also   
trying to do day-to-day stuff as you go along.  
I hope you will find this useful and use this checklist to make   
sure that your center is as healthy as possible and that you   
continually look at your own quality, which is what will protect you   
when it comes to these reviews.  
You want to be a center in excellent standing when your review   
comes along. Are we ready for more questions?  
>> TIM: We have a lot to go through. I hope some of you can   
stay on the phone. We will continue for about 10 or 12 minutes   
here. Let's have the operator give the telephone instructions.  
>> If you have a question, press No. 7 on your telephone keypad.  
>> TIM: While we wait for those, I said I would start by   
clearing some of the pending questions from our first Q&A session.   
Bonnie was wondering if we have examples of policies on lobbying, as   
in hobbying versus advocacy for staff?  
>> PAULA: I haven't looked for that specifically on our website.   
I know we can put some up.  
Looking at the reference we gave on that slide and looking at   
that certification, it will be very clear information for you as you   
look at the issue of lobbying. It tells you specifically what you   
are not able to do with federal funds.  
So look at that certification, and I think that will answer some   
of your questions.  
>> TIM: Thanks. And then from shairm Simpson and Steven   
Johnson.  
  
They were told by site reviewer they needed to complete and have   
signed by the Board a document regarding lobbying. They don't   
remember the name of the document. Any requirement like that which   
you are aware of?  
>> PAULA: That is the document we're talking about in the slide.   
The slide that talks about lobbying, its prohibition, it has that   
certification of lobbying ED-00-0013. You can again for it or you   
can find it in the regulations.  
That certification does need to be done annually.  
>> TIM: Barbara has a question. They have conflicting opinions   
on whether or not they can pay staff for time during fundraising   
events. They often consider the events outreach, is that an   
accurate interpretation?  
>> PAULA: Let's take it from a couple different directions.   
First of all because the requirements in these standards are there   
for us to do fund development, it is assumed most of the time that   
we are an exception to the prohibition of allowing for funds to be   
used for fund development.  
So there are centers who hire a development person or whose time,   
some of the staff time is used who feel comfortable doing that.   
There are other centers who don't feel comfortable using that. It   
is a decision you will have to make based on your own assessment of   
risk related to that.  
Typically it is really messy to allocate the time of someone who   
is not a full-time fund developer back to fundraising. Because   
remember, you have to allocate the time based on what they actually   
do.  
Typically, fundraising isn't in their job. Top isn't simple, and   
you are going to have to assess that for yourselves. It is done.   
Then there is the third complicating factor, often fundraising   
activities happen off-hours.  
So you may have responsibility for overtime or other kinds of   
wage concerns related to that. It isn't a situation we can walk   
through and have an answer for everybody attending today, because   
you will have to assess all three factors to make a decision for   
yourself.  
But if you make a decision you feel has adequately taken those   
three factors into consideration, that it is allowable for centers   
to do this, and you have looked at how you allocate the funds   
appropriately for the job decisions and duties, and have you looked   
at the overtime requirement, then you certainly have the right to do   
it if those three things are met, but it is not simple.  
>> TIM: Those are the ones from the list question and answer   
session. But let's go back to the phone.  
>> Question from Susan.  
>> Participant. I am curious about whether you have examples of   
the elements of adequate time recording or formats that are   
approved?  
>> PAULA: RSA has looked at some of the thing we are doing.   
Richard, maybe you would like to weigh in?  
>> RICHARD: There is an RSA Department of Education spreadsheet   
available on their site that will be posted as part of the material   
for the May financial training in Pittsburgh. It will be available   
following that training.  
There are other formats you can create yourself, you have to make   
sure that it meets all the requirements that Paula outlined. It can   
be very simple; it doesn't have to be as complicated as the   
spreadsheet the Department of Education presents.  
You can take a more simple path if you choose. Even if you   
presented a form that was very simple with percentages of time spent   
within a pay period, and it does need to coincide with pay periods   
and needs to be signed with either the staff person or supervisor as   
your policy states, and you have to make a decision about what you   
want.  
If you take the more simple path like something I just described,   
you absolutely have to have the backup documentation that goes   
behind it, showing there was a good basis for having filled out the   
form in the way you did.  
>> Participant: What constitutes a "basis"?  
>> RICHARD: That is not defined. You have to make a decision   
and look at it as if you were an auditor. You have to see whether   
or not you think that a reasonable person would be able to say yes,   
I can see you had good documentation that this is how you spent your   
time.  
If it is just a sheet all by itself, that is not enough. If you   
have a list of activities on a daily basis and you can divide them   
up and identify the particular cost objective, or the objective   
under which you were operating, that does make a lot more sense. If   
you are uncomfortable and you -- there is maybe a little risk with   
this.  
If you approach is more simple you can always go back to the   
Department of Education spreadsheet and use it.  
>> Participant: Is there a name or number for that ved sheet?  
>> RICHARD: The best way to probably get to that is to go to the   
ILRU website, go to the wiki under "what's new" there is the   
financial management training coming up for Pittsburgh.  
There you will find materials and resources. If those are not   
already posted, they will be posted prior to the training and you   
can look at those.  
>> Participant: Thank you.  
>> PAULA: Thanks, Susan.  
>> TIM. One more phone question.  
>> Question from Michael.  
>> Participant: My question is more in line with a statement.   
The link on Page 30 of the assessing the health part II   
presentation, I clicked on the link and it doesn't work.  
>> PAULA: I think you are going to have to copy and paste it.   
Did it work that way?  
>> Participant: It took me to a generic site not affiliated with   
ILRU. It says FHA mortgages, bad credit scores.  
>> PAULA: Did you do it with http?  
>> Participant: Yes, there is one on the slide.  
>> PAULA: I don't see the http on the slide.  
>> TIM: We will get the link corrected and we will post it in   
the public chat.  
<< Participant: Thank you.  
>> TIM: Sorry about that. We are at a your ter to the top of   
the hour. This will be the last question we will have time for on   
the telephone.  
We have even extended our question and answer questions. We   
didn't anticipate this apt of volume, so thanks very much for your   
engagement.  
And I encourage you please, please don't lose your question.   
Paula is the technical assistance coordinator for the project, and   
it is a big part of our role.  
Put your question if an e-mail if you are waiting on the   
telephone, and Paula or I will be sure to respond to you in the next   
day.  
  
Sorry to have to ask you to do that, but I want to be fair to the   
time of everyone. One more phone question,. If you are still   
waiting, send me an e-mail tim@ncil.org and Paula and I will review   
them and get responses back  
>> From Freida, she has a question.  
>> Participant: The person asking the question stepped away from   
the phone. Please disregard. Thank you.  
>> TIM: I will use the time to wrap three web questions into   
one. People are really latching onto the allowances around food   
costs. Some people are asking for clarification and then some   
examples about the allowability of food at a semiannual recreation   
peer group meeting, or reimbursement to staff for food costs that   
they had when they went to a training.  
>> PAULA: Typically food costs related to required travel, that   
is the training I assume would fit there, it would be considered   
allowable.  
Not allowing, having food costs covered that are not e smple alto   
the event. But like everything else we have talked about here, you   
have to justify for yourself what that means.  
I wrecked with a couple centers under conditions of   
rehabilitation services, meaning they have to get prior approval for   
all their expenses.  
I can tell you when they get prior approval for food, the process   
is very difficult, just fighting that it is essential to the event.   
For example when they have a training that they sponsor, they want   
to bring people in and feed them lunch, the question the reviewing   
person asks is: Couldn't everybody just break for lunch and then   
come back to the meeting?  
So you either need to show it is not practical to break for lunch   
or there is no transportation or that they worked through lunch or   
whatever. But you need to come up with your own justification for   
why it is essential, because it could be questioned.  
And if you are not sure you can make it essential, you probably   
shouldn't spend that money on food. I know this would be easier if   
it were all or nothing, but you have to make a judgment call on this   
item as well as many other item, deciding what risk you are willing   
to take to back your concept that you think it is necessary. But I   
know it is not black and white, but that is the answer.  
>> PAULA: I thank all of you for staying with us late. I have   
clicked Slide 32, Paula's contact information. And I offered my own   
as well. We are both taking questions, and are always happy to do   
that.  
Those on the web, I have already pulled out those questions. I   
will put them in an e-mail to Paula and we can review them. But for   
those on the phone, put them in an e-mail, and we will respond. I   
hope this has been helpful.  
Don't forget for you and your colleagues, part 1 is already   
archived at ILRUdo the korg and part 2 will be arrest kiefd within   
48 hours, training materials and audio in sync with power points,   
accessible with captioning.  
Thanks for being with us, and do check those out. Paula, a fan   
says particular job putting clarity on these examples, wonderful   
presentation.  
  
To those out there, stay in touch and let us know your questions   
if they are from today or whether you think of them in a few weeks.   
Thank you.  
  
(Event concluded at 3:50 p.m. CT)

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