

IL-NET National Training and Technical Assistance Center for Independent Living



Independent Living Research Utilization

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>> Slide 2

Ready for Review – Using ACL’s Compliance & Outcome Monitoring Protocol (COMP) Tool to Achieve Excellence

Part 2

Presenter:

Paula McElwee

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Evaluation Survey & Presenter Contact Information

Your feedback on this webinar is important to us. At the end of the presentation you will have the opportunity to complete a brief evaluation survey.

- Paula McElwee – paulamcelwee.ilru@gmail.com

What you will learn

- Regulatory requirements to perform annual CIL reviews and how to adequately communicate adherence to compliance during a review
- Aspects of CIL operations that must meet federal requirements including standards, assurances, program operation, organizational structure, and administration of the CIL
- The CIL's level of regulatory compliance and readiness for a review by conducting an organizational self-assessment using ACL's Compliance & Outcome Monitoring Protocol (COMP) Tool

The first part of today is a quick review of material discussed in the Part 1 webinar to make sure everyone is up to speed.

Compliance and Outcome Monitoring Protocol (COMP)

- Has been developed by your funder, Administration for Community Living (ACL).
- Is available for download on ACL's website at <https://acl.gov/programs/il-comp>.
- Is now in effect, and reviews at all levels have taken place.

Purpose of Compliance & Outcome Monitoring Protocol

- The purpose of the COMP is to improve program performance.
- The Office of Independent Living Programs (OILP) relies on the COMP to provide consistent federal oversight of CIL grantees.
- Grantees may use the COMP to understand program and fiscal requirements and to conduct self-evaluations.
- Non-federal reviewers will use the COMP as a resource to ensure consistency during onsite reviews.

Components of the Review

- Federal review of program compliance
- Federal review of outcomes
- **Federal review of fiscal operations**
- **Provision of technical assistance**

Your Notification that You're Being Reviewed

- The Office of Independent Living Programs (OILP) Program Officer will notify the center in writing if your center is being evaluated regarding specific or overall risk.
- This notification will identify concerns and what steps your CIL needs to take including timelines.
- You will be notified by the OILP Director if you are going to undergo a focused or onsite review. The notification will identify concerns and the timeline for review.
- If your initial review places you at “high-risk,” you will be required to develop a corrective action plan.
- Typically you will work with ILRU’s intensive support program to develop and implement this plan.

If You are not Responsive to Your Requirements

- You will be placed in the High Risk category.
- The OILP may restrict your access to funds.
- Once your funds are restricted, you will be on a timeline to demonstrate progress.
- OILP may take additional action, including a move to terminate the federal award if no progress is shown after placement on High Risk status with funds restricted.
- There are a number of monitoring actions that may be implemented throughout the period of the Corrective Action Plan, determined by that plan.

You Can Find Much More About this Process

- After this training, the presentation and all the reference materials will be posted in the on-demand section at ilru.org
- If you are notified of a pending review, you certainly want to dig into more detail than we can present today.
- Today, we are discussing how you can use these materials now to improve your CIL's program performance by using this information and applying it to your CIL.

Questions & Discussion

Use the CIL Evaluation Tools/Checklists

- Don't just answer "yes" or "no." Make notes in the comment section regarding where this information can be verified.
- If there is someone that might be interviewed to validate your compliance, jot down their name.
- If there is a policy number that applies, look up and verify that the policy meets the requirement, then note the policy number.
- Your working draft should have lots of notes, so that you are documenting how you can demonstrate that you meet the requirements.
- Go back to Part 1 of this presentation – that content is also important for administrative functions.

The last of the Standards from the Rehab Act: Resource Development

- Did you conduct resource development activities to obtain funding from sources other than Title VII, Part C?
- Grant writing, partnerships, and business ventures would seem to clearly be “resource development.”
- Resource development is not defined in the law or regulations.
- It is required of all centers.
- **Fundraising is a non-allowable use of federal funds.**
- CILs must and SILCs may (if in their SPIL) conduct resource development with federal funds.

Program and Financial Planning Objectives

- Do you have established annual and three-year program and financial planning objectives?
- Do the objectives include the CIL's goals and mission?
- You enter information about this in your PPR* with the assumption that it flows from your consumer-controlled board of directors. Did it?
- Do you have a current work plan for achieving the goals or mission, and did you include specific activities to meet the requirements in the standards & assurances?

*Program Performance Report, formerly the 704 report

Program and Financial Planning Objectives, cont'd.

- Does your work plan include specific services or types of services and priorities?
- Is your work plan consistent with the current SPIL?
- Are there objectives and goals for obtaining or increasing non-Title VII funds?
- Do you address board, staff, and/or volunteers training?

PPR Accuracy and Documentation 725(b)(c)

- What training do CIL staff receive to ensure accuracy in documentation?
- What quality assurance activities take place?
- Do you check the accuracy of individual records?
- Do you provide staff with data to look for their own errors?
- Do you cross check to assure the documentation is of actual consumers?
- Do you close records according to your policy, after a period of inactivity? (Six months, a year)
- Did you submit your last PPR on time?
- Did you provide a copy of your PPR to the SILC as required?

Organizational and Personnel Practices 704(m)(2) and 725(c)(5)

- Do you use sound organizational and personnel assignment practices?
- Can you provide a current organizational chart indicating lines of authority?
- Are there current job descriptions for all positions?
- Have performance appraisals occurred at least annually for all employees?
- Has the board of directors reviewed the executive director's performance within the past year?
- Do you have a policy addressing affirmative actions to employ and advance in employment qualified individuals with significant disabilities?

Personnel Policies and Procedures

Do you Have Written Personnel Policies Addressing...

- Wage and salary practices
- Fringe benefits
- Structure of incentive pay if applicable
- Vacation and sick leave
- Extended absences from the work place
- Ethical conduct by staff
- Drug-free workplace
- Nondiscrimination; that the CIL cannot deny services on the basis of race, color, national origin, sex, age or disability.
- Training requirements
- Performance appraisal
- Disciplinary action

Staff Development and Training 724(c)(11)

- Do you have personnel who are specialists in the development and provision of IL?
- Do you provide new staff orientation and training?
- Do you offer on-going staff development opportunities directed at improving the skills in the provision of IL services, including knowledge of and practice in IL philosophy and cross-disability awareness?
- Does staff receive training on how to serve unserved and underserved populations, including minority groups and urban and rural?
- Do you provide new governing board member training and on-going board development and training?

Personnel Records Checklist

- Review personnel files against the checklist provided in the appendices.
- Does record include a conflict of interest form? Confidentiality? Other codes of ethical conduct?
- Is there an annual drug-free workplace statement?
- Is there a signed duty statement or acceptance of job description?
- Is there a training plan with evidence that the employee participated in training?
- Are records kept in safe, locked location?
- Is access to personnel files limited?

A Little More on Ethical Conduct

- Can be captured in a written code of ethical conduct.
- Applies to both employees and board members.
- Training should be provided annually to all.
- All should sign that they have received training and agree to the Center's code of ethical conduct, including conflict of interest.
- Includes policies that safeguard against a person participating in administrative decisions if the decision is likely to benefit that person or someone in the immediate family.
- Includes policy against any person using position for a purpose that is or gives the appearance of being motivated by private financial gain.

Confidentiality

- Have you adopted and implemented policies and procedures to safeguard the confidentiality of all personal information, including photographs, publicity releases, and lists of names?
- Do your policies comply with federal requirements?
- Do they protect both current and stored information?
- Do they protect both paper and electronic information?
- Do you use these policies to inform all about confidentiality and how they can receive/release it? Consumers, family members, legal representatives, service providers, etc.
- Do you have confidential meeting space?

Prohibition Against Lobbying

- Do you ever lobby i.e. influence or attempt to influence any federal agency or Congress through lobbying activities?
- If yes, how do you keep track of time and other costs?
- Have you assured that all lobbying costs, including the indirect costs, are paid through non-federal funds?
- Do you have written policies and procedures that prevent the use of federal funds to influence or attempt to influence any federal agency or Congress through lobbying?
- You will be asked to show how the lobbying costs were handled in detail.

Let's look at the Fiscal Review Tool

- This is the checklist the fiscal team member from OILP will review.
- Parts of this are notes so the reviewer has context. For example, there is no right answer for whether your basis of accounting is cash or accrual, but the reviewer needs to know which and so do you.
- You can use this to review your own fiscal policies and procedures. Your CFO, accountant, bookkeeper, and/or finance committee, etc. might complete this as a work group.

Financial Policies and Procedures Reviewed

- Personnel and payroll processes including accounting and approval of time worked
- Procurement and internal approval process for purchase orders including equipment, and special requirements for threshold amount approvals
- Copy of travel reimbursement policies
- Written policy/explanation of how you review and approve changes of **key personnel** and request ACL approval
- Process to update sam.gov registration annually and review accuracy of Federal debt indicator which indicates any debt
- Policies and procedures for separation of roles, duties, and responsibilities regarding financial management
- Policies and practices to account for earned program income

Financial Policies and Procedures Reviewed, cont'd.

- Separation of roles, duties, and responsibilities regarding financial management
- Who is designated to access the Payment Management System to request funds and update quarterly Financial Cash Transaction Report (FCTR)?
- Who prepares and certifies ACL's required Federal Financial Report SF-425?
- How you review the working budget against actual expenditures and request prior approval for significant re-budgeting or change of project scope/objectives
- Record retention of a minimum of three years from date of submission to final expenditure report, until after litigation, claims or audit findings are resolved and final action taken. (We recommend five years.)

You Must Do What You Said You Would Do

- Reviewing the paper policies is the first step.
- Once reviewers have read your policies – what you said you would do – they will follow up to look at the records to see if you did it.
- We have sample financial policies and procedures that meet the federal requirements and are updated regularly on the ILRU website at <https://www.ilru.org/il-net-sample-fiscal-policies-and-procedures-handbook>
- Change the name of the organization and the titles of who does what to match your organization.
- Be sure you adopt all the actions you promised in policy.
- If your written policy looks good but you don't follow it, you will be out of compliance.

Record Keeping

- Evidence of resource development activities
- Evidence of how you track program income earned by resource development
- Personnel record system including user roles, responsibilities, and accessibility
- How personnel time or leave is entered, allocated, verified, and approved
- Can your accounting system report revenue and expenditures separately by Federal/non-Federal and by funding source?

Review of the Accounting System

- Ability to report revenue and expenditures separately by Federal and non-Federal programs
- One consolidated budget with the ability to break out each cost objective or funding source in reports
- General ledger
- Cash receipts journal
- Cash disbursement journal
- Payroll journal
- Income (sales) journal
- Purchase journal
- General journal

You Will Provide any Audit Results

- If you spent more than \$750,000 in federal funds, you must complete a single audit and submit it to the Federal Audit Clearinghouse (FAC) within the earlier of
 - a) 30 days after receipt of auditor's report or
 - b) nine months after the fiscal year's end.
- If you spent less, we recommend a financial statement audit that is contracted by the board, with findings given to the board directly.
- You must provide results of any state review, including findings and corrective action plans, to the federal auditors.
- Audit must be posted to the Federal Audit Clearinghouse

Acquisition of Property

- Were IL funds used for the purchase of real property?
- Were IL funds used for alteration and renovation with a cost exceeding \$150,000?
- Can you show a sealed bid process to show reasonableness related to these larger expenses?
- Was equipment purchased with IL funds? (\$5,000 or more) and was there prior approval?
- What is your control system to provide safeguards to prevent loss, damage or theft of property?
- Do you have insurance coverage for property or equipment?
- Do you conduct inventory at least every two years?

Indirect Cost Rate

- Did you request to use ACL awarded funds for indirect costs?
- Do you have an approved indirect cost rate agreement with a Federal agency?
- If you have never had an approved indirect rate, are you utilizing the 10% *de minimus* rate?
 - Are you applying it correctly?
- Does your approved indirect cost rate agreement cover the duration of the grant's project period?
- If not, did you apply for a one-time extension of up to four years or have you applied for an updated agreement?
- You will need to show a copy of your indirect cost proposal, agreement, and show how you keep track of indirect costs.
- You must allocate your shared expenses across funding sources or cost objectives based on your approved indirect cost proposal.

Subrecipients or Subcontractors

- Do you have any MOA*, MOU*, or agreement documents between your organization and others you pay to accomplish some of the grant's work?
- What are your policies and procedures for monitoring subrecipients for project implementation and requesting information to satisfy reporting requirements?
- What is your payment process for invoices received by subrecipients or subcontractors, including internal controls?
- Does the payment process impact your ability to obligate or liquidate funds within the budget/project period and 90 day liquidation period? What is your turnaround time?

*Memorandum of Agreement or Memorandum of Understanding

Items to Include in MOA/MOU or Agreements

- Services to be provided
- Type of personnel, their qualifications, and training
- Timetable for performance
- Require a budget for funds allocated
- Assurances for compliance with terms and conditions of the ACL award
- Assurances for subrecipients adequate management and fiscal systems in place
- If applicable, inclusion of monitoring practices such as participation in frequent meetings or discussions or submission of reports/data
- Requirements for record retention policy and procedure

A Side Note

- If you receive Part B funds through the SPIL and the DSE, you are a subrecipient of the DSE.
- The DSE is the direct contractor for Part B funds, but is also bound to spend them based on the SPIL.
- The DSE has to apply all the same requirements to the Part B funded programs as you do to your subrecipients.

Let's go back to the last two slides with that in mind.

Questions & Discussion

Now what?

- Recognize that the Program Performance Report (PPR) is a key document for review of your center. Make sure your content is complete and shows a center in compliance with requirements.
- Your Payment Management System (PMS) entries and draws also tell your Program Officer some things about your center.
- You may be asked to clarify these or to provide new information to your Program Office any time it is requested.
- Many of you have heard recently from your Program Officer regarding these items. These are part of the larger review process.

Your CIL Can Be Reviewed Any Time

- Reviews can occur “for cause” – in any situation where there is a complaint or question – or for no reason at all.
- You must fully cooperate with any request for information for either the DSE or the federal agency.
- If you are selected for Tier 3 Review, you must allow full access to records, information and people, and cooperate with the team in providing a space to work and whatever they request.

It's Okay to be Proactive

- If you are informed of a visit, you can collect the documents needed.
- Make copies and put them in a banker's box, labeled, for easy access.
- Highlight these working copies if there is something in minutes or a policy that you want the reviewers to notice.
- Even if you aren't informed of a visit, you can review the checklist and other COMP information at <https://acl.gov/programs/il-comp> and identify any areas where you feel improvement is needed NOW.
- Strive for excellence in your compliance with regulations and conformance with your own plans and policies.

If You are Reviewed, You May Need to Make Changes

- During the review, the COMP team may point out areas where they feel you are not in compliance, feel you could make improvements, OR want to commend an exemplary practice.
- After the review, you will receive a written report. (Be patient. This process is time-consuming.)
- You will be given a deadline for completing a Corrective Action Plan.
- You will be referred to ILRU for intensive support in assisting you to develop and implement a Corrective Action Plan with target dates for the identified steps.

Final Questions and Evaluation Survey

Any final questions?

Directly following the webinar, you will see a short evaluation survey to complete on your screen. We appreciate your feedback!

https://usu.co1.qualtrics.com/jfe/form/SV_cC3nB9ekO0i4vJ3

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