

AFTERSCHOOL PROGRAMS (21ST CCLC and SAC) - Compliance Procedures for Sub-grantee Risk Assessment and Monitoring –



Risk Assessment Procedures

Each year risk assessments will be completed for all sub-grantees to determine risk levels.

1. The following criteria are considered to assess the risk of sub-grantees (UGG: §200.205, §200.207, §200.331, §3474.10):
 - History of performance (e.g. attendance, reporting, hour of operation, etc.),
 - Financial stability (e.g. lapsed funds, cash management plan, timely requests for reimbursements, etc.),
 - Quality of management systems and ability to meet the management standards set forth in this part (e.g. goals, licensing, new personnel, new/substantially changed systems, administrative support, etc.),
 - Sub-grantees prior experience with the same or similar awards (at time of application),
 - Audits and/or monitoring (e.g. frequency, corrective actions, timely corrections, etc.)

Risk Assessment Tool: Each indicator of the risk assessment is based on the criteria in number 1 above (at a minimum) and is rated as high risk (5 points), medium risk (3 points) and low risk (0 points). In addition, the indicators are weighted on a scale of 1-5. A weight of a 5 means that a particular indicator is more critical to program success than a weight of a 1. Each sub-grantee will be put through the risk assessment to determine their level of risk.

2. If at any time a program is deemed high risk, the following conditions may be imposed (UGG §200.207):
 - Withholding of funds until evidence of acceptable performance,
 - Require more detailed financial documentation,
 - Additional grant monitoring,
 - Additional technical or management assistance, and/or
 - Additional prior approval
3. The Department must notify the applicant as to (UGG §200.207(c)):
 - The nature of the additional requirements;
 - The reason why the additional requirements are being imposed;
 - The nature of the action needed to remove the additional requirement, if applicable;
 - The time allowed for completing the actions if applicable, and
 - The method for requesting reconsideration of the additional requirements imposed.

Any special conditions must be promptly removed once the conditions that prompted them have been corrected.

Monitoring Procedures

Each year, sub-grantees will be selected for monitoring based on risk levels assigned. Monitoring may include desk, self-assessment, on-site, phone, financial, fiscal crisis, etc.

1. Monitoring must include (UGG §200.331):
 - Reviewing financial and performance reports
 - Following-up and ensuring that the sub-grantees takes timely and appropriate action on all deficiencies pertaining to the award
 - Issuing a management decision for audit finding pertaining to the awarded provided to the sub-grantee

2. Failure to comply with the conditions or restrictions imposed, due to unsatisfactory performance or other non-compliance, the following actions may be taken (UGG §200.338):
 - Temporarily withhold payments pending correction of the deficiency,
 - Disallow or deny all or part of the cost of the activity or action not in compliance,
 - Wholly or partly suspend or terminate the grant award,
 - Initiate suspension or debarment proceedings as authorized under 2 CFR part 180
 - Withhold further Federal award for the project or program, or
 - Take other remedies that may be legally available.

4. The grant award may be terminated in whole or in part as follows (UGG §200.339):
 - By the department if sub-grantee fails to comply with the terms and conditions of the award,
 - By the department for cause,
 - By the department with the consent of the sub-grantee, in which case the two parties must agree upon the termination conditions, including the effective date, or
 - By the non-federal entity to the department written notification setting forth the reasons for such termination, the effective date and in the case of partial termination, the portion to be terminated. If the department determines the partial termination will not accomplish the purposes for the award, the department may terminate the award in its entirety.

5. Notification of termination (UGG §200.340):
 - The department must provide the sub-grantee a notice of termination.

6. Opportunities to object, hearing and appeals (UGG §200.341):
 - The department must provide the sub-grantee an opportunity to object and provide information and documentation challenging the suspension or termination, in accordance with written processes and procedures published by the department.

NOTE for SAC: The 21st CCLC program must comply with EDGAR. The SAC program is required to comply with UGG but is not required to comply with EDGAR; however, we have chosen at the state level to follow this risk assessment and monitoring process as described for SAC as well.