

Grants Activities Reports

Tab 3

Background: Grants Management Staff will review these reports:

- **Independent Audit Status Report** – summarizes the status of desk reviews of annual independent audits submitted by grantees.
- **Grants Monitoring Exceptions Report** – summarizes concerns noted by TCDD Grants Management staff in their ongoing monitoring activities, and the status of resolving those concerns.
- **Grants Risk Assessment of TCDD Projects & Quarterly Update Report** – summarizes the risk assessment matrix for considerations of continuation grant awards, new grant awards and provides more detail about monitoring activities for all TCDD funded projects. This format now includes any concerns identified by grants staff from ongoing monitoring of projects.

Executive Committee
Agenda Item 6.

Expected Action:

The Executive Committee will review the information provided and may provide guidance to staff.

Council
Agenda Item 13. A.

Expected Action:

The Council will receive a report on the Executive Committee discussion.

TEXAS COUNCIL FOR DEVELOPMENTAL DISABILITIES

INDEPENDENT AUDIT STATUS REPORT

GRANTEE	FYE	DATE RECEIVED	AUDIT FIRM	EXCEPTIONS NOTED	RECOMMENDATIONS/ RESOLUTIONS
Brighton School, Inc.	8/31/2013	3/17/2014	Schriver, Carmona, Carrera, P.L.L.C.	None.	The last two audits have an unqualified opinion. Per TCDD procedures the current audit was reviewed by TCDD staff. No concerns are noted, thus this audit was not sent to Abi Abankole, CPA, for desk review.
Community Healthcore	8/31/2013	1/28/2014	Henry & Peters, P. C.	None.	The last two audits have an unqualified opinion. Per TCDD procedures the current audit was reviewed by TCDD staff. No concerns are noted, thus this audit was not sent to Don Mikeska, CPA, for desk review.
Educational Programs Inspiring Communities, Inc.	12/31/2012	10/23/2013	McConnell & Jones LLP	None.	None/Done.
Epilepsy Foundation Texas	12/31/2013	7/17/2014	Carr, Riggs & Ingram, LLC	None.	Forwarded for review.

Key: Audits were submitted to TCDD during the fiscal year (Oct. 1, 2013 – Sept. 30, 2014). Independent Audit Reports are due not later than nine months after the end of the grantee's fiscal year(s) for which an audit is performed. This document includes audits that were received after the due date, but during the fiscal year.

GRANTEE	FYE	DATE RECEIVED	AUDIT FIRM	EXCEPTIONS NOTED	RECOMMENDATIONS/ RESOLUTIONS
Helpful Interventions	9/30/2013	6/30/2014	ERSKINE PAYNE, CPA PLLC	The report omitted the last paragraph of the basic reporting language required by the Statement on Standards for Accounting and Review Services (SSARS) No. 19 of the AICPA (the "Applicable Professional Standards"). Also, there was no reference to the Accountant's review report on each page of the financial statements as required by the Applicable Professional Standards.	Deficiencies to be brought to the attention of the Organization and the Accountant.

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GRANTEE	FYE	DATE RECEIVED	AUDIT FIRM	EXCEPTIONS NOTED	RECOMMENDATIONS/ RESOLUTIONS
Imagine Enterprises Inc	12/31/2011	5/12/2014	Bennoch & Walker, LLC5	Mr. Abi Bankole, TCDD's CPA for desk reviews, states, based on our review of the Report for the year ended December 31 , 2011, we concluded that the Report was technically deficient. The Auditor's report did not conform to the requirements of the reporting standards established by the American Institute of Certified Public Accountants (AICPA) for audits of financial statements for periods ending before December 15, 2012. The Auditors' report was based on the form and contents allowed by the AICPA Clarified Auditing Standards which became effective for audit periods ending on or after	The Auditors should reissue the audit report using the appropriate reporting form and contents applicable for the period covered by the audit.
Region 17 ESC	8/31/2013	1/7/2014	Bolinger, Segars, Gilbert & Moss, LLP	None.	None/Done.
Region 19 ESC	8/31/2013	1/23/2014	Gibson, Ruddock Patterson, LLC	None.	The last two audits have an unqualified opinion. Per TCDD procedures the current audit was reviewed by TCDD staff. No concerns are noted, thus this audit was not sent to Abi Abankole, CPA, for desk review.

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GRANTEE	FYE	DATE RECEIVED	AUDIT FIRM	EXCEPTIONS NOTED	RECOMMENDATIONS/ RESOLUTIONS
Region 19 ESC	8/31/2012	1/29/2014	Gibson, Ruddock Patterson, LLC	None.	The last two audits have an unqualified opinion. Per TCDD procedures the current audit was reviewed by TCDD staff. No concerns are noted, thus this audit was not sent to Abi Abankole, CPA, for desk review.
SafePlace	12/31/2013	6/12/2014	Atchley & Associates, LLP	None.	The last two audits have an unqualified opinion. Per TCDD procedures the current audit was reviewed by TCDD staff. No concerns are noted, thus this audit was not sent to Abi Abankole, CPA, for desk review.
SER Jobs for Progress	8/31/2013	1/10/2014	Carr, Riggs & Ingram CPAs and Advisors	None.	None/Done.
The Arc of Texas	12/31/2011	10/17/2013	Dunagan & Jack LLP	None.	None/Done.
The Arc of Texas	12/31/2012	10/17/2013	Dunagan & Jack LLP	None.	None/Done.

Key: Audits were submitted to TCDD during the fiscal year (Oct. 1, 2013 – Sept. 30, 2014). Independent Audit Reports are due not later than nine months after the end of the grantee's fiscal year(s) for which an audit is performed. This document includes audits that were received after the due date, but during the fiscal year.

GRANTS MONITORING EXCEPTIONS REPORT

GRANTEE PROJECT TITLE	TYPE OF ONSITE	DATE OF ONSITE	ACTIONS REQUIRED FROM ONSITE REVIEW	CORRECTIVE ACTIONS	STATUS
Texas A & M University <i>(Higher Education)</i>	Follow-up	7/10/14	PARs; audit report; financial transactions for the month of March and April 2014; insurance premiums; service agreements/contracts; and evidence of salaries and fringe benefits.	Documents requested: 7/10/14 Documents received: 8/8/14	Complete
West Central Texas Regional Foundation <i>(Inclusive Faith-Based Symposium)</i>	Follow-up	8/19/14	Service Agreements	Documents requested: 8/29/14 Documents received: 9/9/14	Complete
Jewish Family Service of Dallas <i>(Inclusive Faith-Based Symposium)</i>	Final	8/26/14	PARs, PAC, travel Logs, match and TCDD Approval Forms	Documents requested: 10/8/14 Documents due: 11/8/14	Pending
OneStar Foundation <i>(Inclusive Faith-Based Symposium)</i>	Final	10/1/14	PAC form, meeting logs and match reported	Document requested: 10/8/14 Documents due: 11/8/14	Pending
Education Service Center Region 17 <i>(Families in Schools)</i>	Follow-up	10/2/14	*Audit report; Service Agreements; Match documentation	Document requested: 10/17/14 Documents received: 10/20/14	10/20/14
Texas Tech University <i>(B3C)</i>	Follow-up	10/1/14	Service agreements; Photocopy logs and printing receipts; Photocopier lease	Document requested: 10/17/14 Documents due: 11/17/14	Pending
Texas Tech University <i>(Project SEARCH)</i>	Follow-up	10/1/14	Photocopy log or equivalent; and Machine (photocopier) lease documentation	Document requested: 10/17/14 Documents due: 11/17/14	Pending
Texas Tech University <i>(Higher Education)</i>	Follow-up	10/1/14	Signed service agreement with Compass Settings; Photocopy log or equivalent; and Machine (photocopier) lease documentation	Document requested: 10/17/14 Documents due: 11/17/14	Pending

Date of report – 10/16/14

*Audit due within 9-months after the end of the budget period.

RISK ASSESSMENT FOR CONSIDERATION OF CONTINUATION AWARDS
06/01/14 – 05/31/15

Item	Grantee	TCDD Funds	Other Fed Funds	Risk Activity	Risk Code
A	Texas A & M University (Higher Education)	\$225,000	\$244 mil	2,3	
B	A Circle of Ten (BC3)	\$100,000	\$25,000	2,8*	
C	Texas Tech University (BC3)	\$150,000	35 mil	2	

*Increased risk due to the number of sub-awards and no previous audit.

KEY

	Extensive Risk Management (all levels of control plus audit)
	Considerable Risk Management (most levels of control plus independent review by CPA)
	Moderate Risk (operating & monitoring controls & agreed upon procedures engagement by CPA)
	Monitor or Accept (basic monitoring only)

RISK ASSESSMENT OF TCDD PROJECTS – QUARTERLY UPDATE

<i>Grantee</i>		<i>TCDD Fund Amt.</i>	<i>Other Federal Fund Amt.</i>	<i>Date of Last Onsite</i>	<i>Next Onsite Review Due By</i>	<i>Risk Activity</i>	<i>Risk Code</i>
Extensive Risk							
1.	Region 17 ESC (<i>FIS</i>)	\$300,000	\$1,583,796	10/2/14	12/2015	2	
2.	Epilepsy Foundation of Texas (<i>Health & Fitness</i>)	\$249,750	\$ 0	5/23/2013	12/2014	2	
3.	Texas State Independent Living Council (<i>Health & Fitness</i>)	\$245,000	\$315,000	6/10/2013	12/2014	2	
4.	DARS (<i>Higher Education</i>)	\$225,000	\$488 mil	8/15/2013	12/2014	2	
5.	Educational Programs Inspiring Communities, Inc. (<i>Enabling Technology</i>)	\$225,000	\$312,000	10/9/2013	12/2014	2	
6.	Strategic Education Solutions, LLC (<i>Enabling Technology</i>)	\$225,000	\$ 0	10/18/2013	12/2014	2	
7.	Texas A&M University (<i>Higher Education</i>)	\$225,000	\$244 mil	7/10/2014	12/2015	2,3	
8.	Texas Tech University (<i>Higher Education</i>)	\$225,000	\$35mil	10/1/2014	12/2015	2,3	
9.	Any Baby Can (<i>Health & Fitness</i>)	\$205,749	\$ 0	6/5/2013	12/2014	2	
Considerable Risk							
10.	Texas Tech University (<i>Project SEARCH</i>)	\$174,716	\$35 mil	10/1/2014	12/2016	2,3	
11.	Volar Center for Independent Living (<i>BC3</i>)	\$150,000	\$202,283	3/8/2013	TBD	1,2	
12.	Texas Tech University-Burkhart Center for Autism Education and Research (<i>BC3</i>)	\$150,000	\$35 mil	10/1/2014	12/2016	2	
13.	Sabine Valley Regional MHMR Center (dba Community Healthcore) (<i>BC3</i>)	\$139,440	\$4 mil	4/17/2013	TBD	2	
14.	Imagine Enterprises (<i>Project SPEAK</i>)	\$125,000	\$725,000	7/9/2013	4/2016	2	
15.	VSA Arts of Texas- (<i>Self-Advocates as Speakers</i>)	\$125,000	\$50,000	8/14/2013	12/2015	2	
16.	SafePlace (<i>Meaningful Relationships</i>)	\$115,029	\$2,340,306	9/26/2013	Final 2015	2	
17.	A Circle of Ten, Inc. (<i>BC3</i>)	\$100,000	\$25,000	3/8/2013	2/2015	2,8*	
Moderate Risk							
18.	Jewish Family Services of Dallas (<i>Inclusive Faith-Based Symposium</i>)	\$75,000	\$20,000	8/26/2014	NA	2	
19.	Texas Advocates-Project SAVE (<i>LDATP</i>)	\$75,000	\$ 0	3/21/2012	6/2015	2	
20.	Texas A&M University (<i>LDATP</i>)	\$75,000	\$244 mil	7/20/2012	Final 2015	2,3	
21.	Texas State Independent Living Council - (<i>NLDATP</i>)	\$75,000	\$815,000	5/17/2012	6/2015	2	
22.	The Arc of Dallas (<i>NLDATP</i>)	\$75,000	\$ 0	6/27/2012	Final 2015	2	
23.	The Arc of Texas (<i>Project MOVE</i>)	\$75,000	\$0	3/21/2012	6/2015	2	
24.	West Central Texas Regional Foundation (<i>Inclusive Faith-Based</i>)	\$74,988	\$2.9 mil	8/19/2014	NA	2	

25.	The Arc of Greater Tarrant County (<i>Inclusive Faith-Based</i>)	\$72,956	\$ 0	6/26/2012	Final 2015	2,5	
26.	Coalition of Texans with Disabilities (<i>Developmental Disabilities Policy Fellows</i>)	\$67,500	0	NA	11/2014	2	
27.	The Arc of Texas (<i>Developmental Disabilities Policy Fellows</i>)	\$67,500	\$75,000	NA	11/2014	2	
28.	OneStar Foundation (<i>Inclusive Faith-Based</i>)	\$66,931	\$1,024,926	10/1/14	NA	2	
Monitor or Accept							
29.	Texas Parent to Parent (<i>Public Policy Collaboration Activities</i>)	\$55,800	\$97,500	7/2/2013	NA	2	
30.	Helpful Interventions, Inc (<i>Gulf Coast African American Family Support Conference</i>)	\$50,000	\$0	3/11/2014	NA	2	
31.	Travis County Constable Precinct 5- (<i>Accessible Parking Awareness Campaign</i>)	\$37,125	\$11 mil	2/19/14	TBD	1,2	
NA							
32.	Circle of Ten (<i>Contract-Building Capacity for LDATP</i>)	\$25,000	\$75,000	NA	NA	NA	NA
33.	The Arc of San Angelo (<i>Alternatives to Guardianship</i>)	\$25,000	\$7,500	3/29/2012	NA	NA	NA
34.	Moody Clinic (<i>O & D</i>)	\$10,000	\$0	NA	NA	NA	NA
35.	The Arc Del Paso (<i>O & D</i>)	\$10,000	\$0	NA	NA	NA	NA
36.	Nuevos Horizontes de Starr County	\$9,955	\$0	NA	NA	NA	NA

*Highlighted grantees indicate additional monitoring strategies this quarter.

*Increased risk due to the number of sub-awards and no previous audit.

KEY

	Extensive Risk Management (all levels of control plus audit)
	Considerable Risk Management (most levels of control plus independent review by CPA)
	Moderate Risk (operating & monitoring controls & agreed upon procedures engagement by CPA)
	Monitor or Accept (basic monitoring only)

RISK ACTIVITIES	
1 – New Grantee	2 – Awards within Award
3 – Funding Issues	4 – Compliance Issues
5 – Performance Issues	6 – Legal Actions
7 – Fiscal Office Out of State	8 – No Prior Audit

**TCDD RISK MATRIX
FY 2013**

<i>Award Amounts</i> →	- \$75,999.	\$76,000. – \$199,999.	\$200,000.- \$499,999.	\$500,000. +
Risk Activities ↓				
1. New Grantee (i.e., no previous project or no project within 2 year period)	LH	MH	HH	HH
2. Awards within Award (e.g., consultants, presenters, sub-contractors, etc.)	LH	MH	HH	HH
3. Funding Issues (e.g., budget/procurement concerns, match, sustainability, etc.)	LM	LM	MM	HM
4. Compliance Issues (e.g., OMB, UGMS, TCDD policy, oversight issues, etc.)	LM	LM	MM	HM
5. Performance Issues (e.g., unmet goals, milestones, special conditions, etc.)	LM	LM	MM	HM
6. Legal Actions	LL	LL	ML	HL
7. Fiscal Office Located Out-Of-State	LL	LL	ML	HL
8. No Audit Prior To Grant Award	LL	LL	ML	HL

KEY: 1st letter denotes impact; 2nd letter denotes probability.

	HM, HH	Extensive Risk (all levels of control plus audit)
	MM, MH, HL	Considerable Risk (most levels of control plus independent review by CPA)
	LH, ML	Moderate Risk (operating/monitoring controls + agreed upon procedures by CPA)
	LL, LM	Acceptable Risk (basic monitoring only)

Use for Risk Management Plan:

	Audit work performed and the Executive Director performs oversight via quarterly report* provided to ensure supervisory and operating controls are working.
	Department heads reporting to Executive Director perform oversight functions to ensure supervisory and operating controls are working.
	Department staff perform oversight functions to ensure supervisory and operating controls are working.
	Department staff perform basic oversight functions to ensure controls are in place.

Use for Annual Audit or Review Determination:

	Red indicates areas to be audited or reviewed by independent CPA.
	Yellow indicates areas to be covered through oversight, supervisory and operating controls with guidance from the contracted internal audit services provider.
	Green indicates areas to be covered through staff oversight with guidance from the contracted internal audit services provider as needed.
	Gray indicates areas to be covered through basic staff oversight and reporting.

Grants Monitoring Exceptions Report provided to E.D. and Council quarterly for review.

No risk activities means monitoring strategies will be performed at the lowest level under the award amount.

NOTE: Risk Matrix reviewed annually with TCDD staff and Internal Auditor; updated when needed.

**MONITORING STRATEGIES
FY 2013**

STIPENDS (\$6,000. Or less):

Website instructions	Special Conditions (GMD letter)
Technical support (Budget Support Specialist)	Review FROE & other reports submitted

Mini-Grants (\$10,000. Or less):

Orientation	Program Performance Review = Six Months
Technical support (Senior Specialist)	Final Program Performance Report
RAR & Supplemental Report	Approvals (e.g., dissemination, etc.)
RAR Documentation Review = Six Month	

Level 1 GRAY

Orientation	Approvals (e.g., equipment, travel, speakers, etc.)
Onsite Review = Initial	Project Advisory Committee Meetings
Program Performance Review = Annual	Final Program Performance Report
RAR Documentation Review	Other as determined necessary (e.g., audit desk review)

Level 2 GREEN

Orientation	Project Advisory Committee Meetings
Onsite Review = Initial & 3 rd year	Final Program Performance Report
Program Performance Review = Quarterly	Agreed upon Procedures Engagements CPA
RAR Documentation Review	Other as determined necessary (e.g., audit desk review)
Approvals (e.g., equipment, travel, speakers, etc.)	

Level 3 YELLOW

Orientation	Project Advisory Committee Meetings
Onsite Review = Initial & 3 rd & 5 th years	Final Program Performance Report
Program Performance Review = Quarterly	Independent Review by CPA = Annual (A-133 Audit at \$500k or more)
RAR Documentation Review	Project Staff Meeting (1X per annum)
Approvals (e.g., equipment, travel, speakers, etc.)	Other as determined necessary (e.g., audit desk review)

Level 4 RED

Orientation	Final Program Performance Report
Onsite Review = Initial & Annual	A-133 Audit = Annual (Independent under \$500k)
Program Performance Review = Quarterly	Audit Desk Review = Annual
RAR Documentation Review	Project Staff Meeting (2X per annum)
Approvals (e.g., equipment, travel, speakers, etc.)	Interim Program Performance Report
Project Advisory Committee Meetings	

ADDITIONAL MONITORING STRATEGIES FOR GRANT PROJECTS

To be selected and implemented on an as needed basis.

- Re-orient
- Add milestones or special conditions
- Move up to the next level of monitoring (see above tables)
- Payment holds (reimbursement only no advance or no reimbursement & no advance)
- Require additional onsite reviews