

## 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
Any Baby Can of San Antonio, Inc	6/30/2014	12/9/2014	BDO USA, LLP	The Auditors' report on the financial statements omitted a reporting section that is required.	The report was acceptable with quality deficiencies that should be brought to the attention of the organization and grantee's auditor, but no need for the report to be redone.
Any Baby Can of San Antonio, Inc	6/30/2013	12/9/2014	BDO USA, LLP	The auditors' report on the financial statements omitted a reporting section that is required.	The report was acceptable with quality deficiencies that should be brought to the attention of the organization and grantee's auditor, but no need for the report to be redone.
Region 17 ESC	8/31/2014	1/12/2015	Bolinger, Segars, Gilbert & Moss, LLP	None.	Forward for Desk Review.

**Key:** Audits were submitted to TCDD during the fiscal year (Oct. 1, 2014 – Sept. 30, 2015). 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
<b>The Arc of Dallas</b> <i>(NLDATP)</i>	Final	8/26/14	PARs, Ledgers, Travel log approval, Service Agreements, Printing/Copying, Lease, Telephone, Match	Documents requested: 10/21/14 Documents received: 11/19/14 Additional follow-up information requested/received: 12/5/14  Additional oversight based on review	Complete
<b>OneStar Foundation</b> <i>(Inclusive Faith-Based Symposium)</i>	Final	10/1/14	PAC form, meeting logs and match reported	Document requested: 10/8/14 Documents received: 10/22/14	Complete
<b>Region 17 Education Service Center</b> <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	Complete
<b>Texas Tech University</b> <i>(B3C)</i>	Follow-up	10/1/14	Service agreements; Photocopy logs and printing receipts; Photocopier lease	Document requested: 10/17/14 Documents received 10/27/14; 1/8/15	Complete
<b>Texas Tech University</b> <i>(Project SEARCH)</i>	Follow-up	10/1/14	Photocopy log or equivalent; and Machine (photocopier) lease documentation	Document requested: 10/17/14 Documents received: 10/27/14; 1/8/15	Complete
<b>Texas Tech University</b> <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 received: 10/30/14; 1/8/15	Complete
<b>Epilepsy Foundation Texas</b> <i>(Health &amp; Fitness)</i>	Follow-up	10/28/14	No action required	Document received: 10/28/14	Complete
<b>Any Baby Can</b>	Follow-up	12/10/14	PAC meeting compliance	Document received: 12/10/14	Complete
<b>Strategic Education Solutions, LLC</b>	Follow-up	12/19/14	Travel log; service agreements and match documentation	Documents requested: 1/5/15 Documents due: 1/15/15	Complete

Date Revised: 1/15/15

1 - 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**

<b>Item</b>	<b>Grantee</b>	<b>TCDD Funds</b>	<b>Other Fed Funds</b>	<b>Risk Activity</b>	<b>Risk Code</b>
A	Texas Tech University <i>(BC3)*</i>	\$130,825	\$35 mil	2	Yellow
B	Any Baby Can <i>(Health &amp; Fitness)</i>	\$174,887	\$0	2	Yellow
C	DARS <i>(Higher Education)</i>	\$225,000	\$488 mil	2	Red
D	Texas State Independent Living Council <i>(Health &amp; Fitness)</i>	\$238,000	\$395,083	2	Red
E	VSA Arts of Texas <i>(Self-Advocates as Speakers)</i>	\$125,000	\$10,000	2	Yellow
F	Texas Parent to Parent <i>(PP Collaboration)</i>	\$50,000	\$97,500	2,8	Grey
G	Texas Tech University <i>(Higher Education)</i>	\$225,000	\$35mil	2,3	Red

\*This project was reviewed at the November Council meeting and amount reduced by \$20,000 the amount approved to cover personnel for January 2014 – February 2015)

**KEY**

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

**RISK ASSESSMENT OF TCDD PROJECTS – QUARTERLY UPDATE**

Grantee		TCDD Fund Amt.	Other Federal Fund Amt.	Date of Last Onsite	Next Onsite Due By	Risk Activity	Risk Code
<b>Extensive Risk</b>							
1.	Region 17 ESC (FIS)	\$300,000	\$1,583,796	10/2/14	2015	2	
2.	Epilepsy Foundation of Texas (Health & Fitness)	\$249,750	\$ 0	10/28/14	2015	2	
3.	Texas State Independent Living Council (Health & Fitness)	\$238,000	\$395,083	1/7/15	2016	2	
4.	DARS (Higher Education)	\$225,000	\$488 mil	7/18/14	2015	2	
5.	Educational Programs Inspiring Communities, Inc. (Enabling Technology)	\$225,000	\$312,000	8/27/14	2015	2	
6.	Strategic Education Solutions, LLC (Enabling Technology)	\$225,000	\$ 0	12/19/14	2015	2	
7.	Texas A&M University (Higher Education)	\$225,000	\$244 mil	7/10/2014	2015	2,3	
8.	Texas Tech University (Higher Education)	\$225,000	\$35mil	10/1/2014	2015	2,3	
<b>Considerable Risk</b>							
9.	Any Baby Can (Health & Fitness)	\$174,887	\$ 0	12/10/14	2016	2	
10.	Texas Tech University (Project SEARCH)	\$174,716	\$35 mil	10/1/2014	2016	2,3	
11.	Volar Center for Independent Living (BC3)	\$150,000	\$202,283	3/8/2013	2015	1,2	
12.	Sabine Valley Regional MHMR Center (dba Community Healthcore) (BC3)	\$139,440	\$4 mil	4/17/2013	2015	2	
13.	Texas Tech University-Burkhart Center for Autism Education and Research (BC3)	\$130,825	\$35 mil	10/1/2014	2016	2	
14.	Imagine Enterprises (Project SPEAK)	\$125,000	\$725,000	7/9/2013	2016	2	
15.	VSA Arts of Texas- (Self-Advocates as Speakers)	\$125,000	\$10,000	8/14/2013	2015	2	
16.	SafePlace (Meaningful Relationships)	\$115,029	\$2,340,306	9/26/2013	2015	2	
17.	A Circle of Ten, Inc. (BC3)	\$100,000	\$25,000	3/8/2013	2015	2,8*	
<b>Moderate Risk</b>							
18.	Jewish Family Services of Dallas (Inclusive Faith-Based Symposium)	\$75,000	\$20,000	8/26/2014	NA	2	
19.	Texas Advocates-Project SAVE (LDATP)	\$75,000	\$ 0	3/21/2012	2015	2	
20.	Texas A&M University (LDATP)	\$75,000	\$244 mil	7/20/2012	2015	2,3	
21.	Texas State Independent Living Council - (NLDATP)	\$75,000	\$815,000	1/7/15	NA	2	
22.	The Arc of Dallas (NLDATP)	\$75,000	\$ 0	8/26/14	NA	2, 3	
23.	The Arc of Texas (Project MOVE)	\$75,000	\$0	3/21/2012	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	2015	2,5	
26.	Coalition of Texans with Disabilities ( <i>Developmental Disabilities Policy Fellows</i> )	\$67,500	0	1/27/15	2018	2	
27.	The Arc of Texas ( <i>Developmental Disabilities Policy Fellows</i> )	\$67,500	\$75,000	TBS 2015	2018	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> )	\$50,800	\$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	

**NA**

31.	Circle of Ten ( <i>Contract-Building Capacity for LDATP</i> )	\$25,000	\$75,000	NA	NA	NA	NA
32.	The Arc of San Angelo ( <i>Alternatives to Guardianship</i> )	\$25,000	\$7,500	3/29/2012	NA	3,5	NA
33.	Moody Clinic ( <i>O &amp; D</i> )	\$10,000	\$0	NA	NA	NA	NA
34.	The Arc of Del Paso	\$10,000	\$0	NA	NA	NA	NA
35.	Nuevos Horizontes de Starr County ( <i>O &amp; D</i> )	\$9,955	\$0	NA	NA	NA	NA
36.	Growing Roots ( <i>O &amp; D</i> )	\$9,110	\$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**

**3 – Funding Issues**

**5 – Performance Issues**

**7 – Fiscal Office Out of State**

**2 – Awards within Award**

**4 – Compliance Issues**

**6 – Legal Actions**

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

KEY: 1<sup>st</sup> letter denotes impact; 2<sup>nd</sup> 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 2015**

**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 <sup>rd</sup> 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 <sup>rd</sup> & 5 <sup>th</sup> 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