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 to grantees.

- ➢ **Grants Risk Assessment of TCDD Projects & Quarterly Update Report** — summarizes the risk assessment matrix for considerations of continuation grant awards and provides more detail about monitoring activities for all TCDD funded projects.

- ➢ **Grants Monitoring** TCDD Grants Management staff conduct ongoing monitoring activities of each project. The following onsite reviews were conducted during the preceding quarter. Organizations showing "complete" have all documentation provided. Staff are still working with grantees to obtain all necessary documents for those showing "pending".

Onsite Reviews for Quarter:

- ▪ Volar Center for Independent Living (11/30/16) – Pending
- ▪ Texas Tech University Higher Education (11/15/16) – Complete
- ▪ Texas Tech University Project SEARCH (11/15/16) – Complete
- ▪ Education Service Center, Region 17 Families in Schools (11/16/16) – Complete
- ▪ Texas Statewide Independent Living Council (1/9/17) – Complete
- ▪ Epilepsy Foundation of Texas (1/10/17) – Complete
- ▪ Any Baby Can (1/30/17) – Complete
- ▪ Texas Workforce Commission (2/7/17) – Complete

Executive Committee — Agenda Item 7

Expected Action:

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

Council — Agenda Item 9. B.

Expected Action:

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

Texas Council for Developmental Disabilities Independent Audit Status Report

Grantee	Fiscal Year End	Date Received	Audit Firm	Exceptions Noted	Recommendations/ Resolutions
Any Baby Can of San Antonio, Inc.	6/30/2016	11/10/2016	BDO USA, LLP	None.	None/Done.
Department of Assistive and Rehabilitative Services	8/31/2015	2/8/2017	State of Texas State Auditor	None.	None/Done.
Educational Programs Inspiring Communities, Inc.	12/31/2015	11/28/2016	McConnell & Jones LLP	None.	None/Done.
Epilepsy Foundation Texas	12/31/2015	1/24/2017	Carr, Riggs & Ingram, LLC	None.	Forward for Desk Review.
Reaching Families Advocacy and Support Group	12/31/2016	4/1/2017	Kristi L. Allen, CPA	None.	Forward for Desk Review.

Key: Audits were submitted to TCDD during the fiscal year (October 1, 2015 to September 30, 2016). 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.

Monday, April 3, 2017

Grantee	Fiscal Year End	Date Received	Audit Firm	Exceptions Noted	Recommendations/ Resolutions
Region 17 ESC	8/31/2016	12/19/2016	Bolinger, Segars, Gilbert & Moss, LLP	None.	None/Done.
Texas Tech University	8/31/2016	3/13/2017	State of Texas State Auditor	None.	None/Done.

Key: Audits were submitted to TCDD during the fiscal year (October 1, 2015 to September 30, 2016). 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.

Monday, April 3, 2017

RISK ASSESSMENT OF TCDD PROJECTS QUARTERLY UPDATE MAY 2017

Number	Grantee	TCDD Fund Amount	Other Federal Fund Amount	Date of Last Onsite	Next Onsite Due By	Risk Activity	Risk Code
1.	Region 17 ESC (FIS)	$300,000	$1,687,806	11/16/16	2017	2	Extensive Risk
2.	DARS (Higher Education)	$225,000	$488 million	12/15/15	2016	2	Extensive Risk
3	National Disability Institute (Understanding Employment Options and Supports)	$150,000	$2,481,931 million	8/31/16	2017	1, 2, 7	Extensive Risk
4.	Code Blue: Volar Center for Independent Living (BC3)	$150,000	$203,823	11/30/16	2017	2,3	Extensive Risk
5.	Code Blue: Texas A&M University (Higher Education Collaborative)	$372,927	$1.55 billion	Does not apply	2017	2,3	Extensive Risk
6.	Texas Tech University (Project SEARCH)	$174,346	$35 million	11/15/16	Does not apply	2,3	Considerable Risk
7.	Code Blue: Sabine Valley Regional MHMR Center (dba Community Healthcore) (BC3)	$139,440	$4,663,336	2/11/2015	2017	2, 3, 5	Considerable Risk
8.	Imagine Enterprises (Project SPEAK)	$125,000	$725,000	12/3/15	Does not apply	2	Considerable Risk
9.	VSA Arts of Texas (Self-Advocates as Speakers)	$125,000	$10,000	10/26/15	Does not apply	2	Considerable Risk
10.	Code Blue: Texas Advocates (Self-Advocates Grassroots Community Organizing)	$100,000	$0	7/13/2015	2017	2, 5	Considerable Risk

Number	Grantee	TCDD Fund Amount	Other Federal Fund Amount	Date of Last Onsite	Next Onsite Due By	Risk Activity	Risk Code
11.	Texas State Independent Living Council (Health and Fitness)	$150,000	$520,587	7/19/16	2018	2	**Considerable Risk**
12.	Light and Salt Association (Culturally Appropriate Family Support)	$75,000	$448,606	1/26/16	2019	2	**Moderate Risk**
13.	Reaching Families Advocacy and Support Group (Culturally Appropriate Family Support)	$79,606	$0	4/21/16	2019	2	**Moderate Risk**
14.	Disability Rights Texas (Stakeholder Training on Guardianship Alternatives)	$40,000	$8 million	4/27/16	2018	2	**Moderate Risk**
15.	Paso del Norte Children's Development Center (Leadership Development and Advocacy Skills Training Project)	$75,000	$0	11/28/16	2018	1, 2	**Moderate Risk**
16.	Family to Family (Leadership Development and Advocacy Skills Training Project)	$75,000	$57,000	10/4/16	2018	1,2	**Moderate Risk**
17.	Easter Seals Central Texas (Leadership Development and Advocacy Skills Training Project)	$64,394	$5.7million	11/21/16	2018	1, 2	**Moderate Risk**
18.	EveryChild, Inc. (Developmental Disabilities Policy Fellows)	$67,500	$441,125	12/13/16	TBD	1, 2	**Moderate Risk**
							Low Risk

Number	Grantee	TCDD Fund Amount	Other Federal Fund Amount	Date of Last Onsite	Next Onsite Due By	Risk Activity	Risk Code
19.	Imagine Enterprises (Outreach and Development)	$10,000	$725,000	Does not apply	Does not apply	Does not apply	**Monitor and Accept**
	Stipends	See stipend report in Tab 4 Financial Reports	Does not apply	Does not apply	Does not apply	Does not apply	**Final Report Only**

Color Coded Blue grantees indicate additional monitoring strategies this quarter.
*Increased risk due to the number of sub-awards and no previous audit.

Risk Color Coded 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)
`GRAY` **—** Low Risk (basic monitoring only)
`WHITE` **—** Monitor or Accept

Risk Activities Numbers Key

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

TCDD Risk Matrix for Grants Monitoring Fiscal Year 2016

Risk Activities	Less than $75,999 Award Amount	$76,000 to $199,999 Award Amount	$200,000 to $499,999 Award Amount	$500,000 Plus Award Amount
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

Risk Matrix Color Coded 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 plus agreed upon procedures by CPA)

`LL, LM` — Acceptable Risk (basic monitoring only)

Risk Management Plan Color Coded Key:

`RED` — Audit work performed and the Executive Director performs oversight via quarterly report***** provided to ensure supervisory and operating controls are working.

`YELLOW` — Department heads reporting to Executive Director perform oversight functions to ensure supervisory and operating controls are working.

`GREEN` — Department staff perform oversight functions to ensure supervisory and operating controls are working.

`GRAY` — Department staff perform basic oversight functions to ensure controls are in place.

Annual Audit or Review Determination Color Coded Key:

`RED` — Red indicates areas to be audited or reviewed by independent CPA.

`YELLOW` — Yellow indicates areas to be covered through oversight, supervisory and operating controls with guidance from the contracted internal audit services provider.

`GREEN` — Green indicates areas to be covered through staff oversight with guidance from the contracted internal audit services provider as needed.

`GRAY` — 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 Fiscal Year 2016

Stipends ($7,500 or less):

Website instructions

Technical support (Budget Support Specialist)

Special Conditions (GMD letter)

Review FROE and other reports submitted

Mini-Grants ($10,000 to $24,999):

Orientation

Technical support (Senior Specialist)

RAR & Supplemental Report

RAR Documentation Review — Six Months

Program Performance Review — Six Months

Final Program Performance Report

Approvals (e.g., dissemination, etc.)

Level 1 — GRAY

Orientation

Onsite Review — Initial

Program Performance Review — Annual

RAR Documentation Review

Approvals (e.g., equipment, travel, speakers, etc.)

Project Advisory Committee Meetings

Final Program Performance Report

Other as determined necessary (e.g., audit desk review)

Level 2 — GREEN

Orientation

Onsite Review — Initial and 3rd year

Program Performance Review — Quarterly

RAR Documentation Review

Approvals (e.g., equipment, travel, speakers, etc.)

Project Advisory Committee Meetings

Final Program Performance Report

Agreed upon Procedures Engagements CPA

Other as determined necessary (e.g., audit desk review)

Level 3 — YELLOW

Orientation

Onsite Review — Initial, 3rd and 5th years

Program Performance Review — Quarterly

RAR Documentation Review

Approvals (e.g., equipment, travel, speakers, etc.)

Project Advisory Committee Meeting

Final Program Performance Report

Independent Review by CPA — Annual (A-133 Audit at $500k or more)

Project Staff Meeting (1 time per year)

Other as determined necessary (e.g., audit desk review)

Level 4 — RED

Orientation

Onsite Review — Initial and Annual

Program Performance Review — Quarterly

RAR Documentation Review

Approvals (e.g., equipment, travel, speakers, etc.)

Project Advisory Committee Meetings

Final Program Performance Report

A-133 Audit — Annual (Independent under $500k)

Audit Desk Review — Annual

Project Staff Meeting (2 times per year)

Interim Program Performance Report

Additional Monitoring Strategies for Grant Projects

To be selected and implemented on an as needed basis:

- Re-orientation,
- 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 and no advance),
- Require additional onsite reviews.