



U.S. Department of Justice  
Office of Justice Programs  
*Office of Audit, Assessment, and Management*

# **Office of Audit, Assessment, and Management FY 2009 Grant Monitoring Improvements**

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## About This Report

The Office of Justice Programs, Office of Audit, Assessment, and Management (OAAM), Program Assessment Division prepared this report. For questions about this report, please contact Maureen A. Henneberg, Director of OAAM, at (202) 616-3282.

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## Acronyms

|      |                                             |
|------|---------------------------------------------|
| GAT  | Grant Assessment Tool                       |
| GMM  | Grant Manager's Manual                      |
| GMS  | Grants Management System                    |
| OAAM | Office of Audit, Assessment, and Management |
| OJP  | Office of Justice Programs                  |



# Office of Audit, Assessment, and Management FY 2009 Grant Monitoring Improvements

In an effort to consistently identify and develop monitoring standards and procedures and to improve on issues identified during a review of FY 2007 and FY 2008 post-site visit monitoring practices,<sup>1</sup> OAAM completed the following activities to improve grant monitoring during FY 2009:

- released the new Grants Management System (GMS) monitoring module;
- developed a formal definition of the term “issues for resolution” and detailed policies on documentation, issuance, and resolution of issues in the Grant Manager’s Manual (GMM); and
- provided targeted grant monitoring training to Office of Justice Programs (OJP) grant managers.

These activities are intended to improve compliance with the policies and procedures outlined in the GMM, strengthen grantee oversight, and ensure that grantees are receiving consistent and quality feedback and assistance from grant managers. OAAM has additional grant monitoring improvements planned for FY 2010.

## GMS Monitoring Module

To improve quality, completeness, and the level of documentation of monitoring activities, OJP has enhanced a number of internal and external interfaces in GMS. The recent enhancement of the monitoring module in GMS provides an interface to enable grant managers to communicate the outcomes of site visits to grantees in a timely manner.

In early FY 2008, OAAM began discussing modifications to the GMS monitoring module to address issues related to verification of compliance with time-specific monitoring requirements. OAAM convened a working group, with members representing OJP program and support offices, to identify the functional requirements of the monitoring module and to define the rules for use of the module. In May 2009, OAAM released the updated module.

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<sup>1</sup> Please see insert on page 6 for additional information on the findings resulting from this review.



The updated GMS monitoring module has several functional improvements, including system workflow, which requires grant managers to send reports and letters to their supervisors for review. Additionally, the module provides the ability to track monitoring on a site-visit and individual grant basis, issue/finding resolution and tracking, and a grantee interface for sending formal correspondence. The monitoring module also facilitates the inclusion of a variety of supporting documents related to monitoring, including e-mails, notes on telephone conversations, checklists, agendas, and other types of correspondence. The module tracks the date that monitoring documentation has been completed, such as site visit reports, post-site visit letters, and documents detailing how issues for resolution were resolved.

The enhancements to the monitoring module eliminated the need for grant managers to complete and upload the Grant Monitoring Tool (GMT). The functionality of the GMT has been reproduced in the module, and on-site monitoring guidance provided by the GMT has been incorporated into a new checklist. The new checklist provides grant managers with guidance for on-site monitoring activities, and informs the development of the post-site visit report. Grant managers do not need to upload the checklist to GMS at the conclusion of the site visit.

The functional improvements in GMS will resolve many of the issues identified in our review of post-site visit activities. With the GMS improvements, grant managers no longer have to upload post-site visit documentation to GMS,<sup>2</sup> but rather work on and send documents within the module. Grant managers are encouraged to draft and send e-mails within the module, but may also upload e-mails generated outside the module. Grant managers are also able to link multiple grants to one document instead of having to upload documentation to each grant's monitoring file. Finally, all documentation completed within the module is time stamped, with an accompanying audit trail; therefore, it will be clear when site visit reports and post-site visit letters are completed, approved by supervisors, and sent to grantees.

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## Issues for Resolution

Our review of post-site visit activities highlighted concerns about the issuance of site visit findings; these concerns will be resolved by FY 2009 updates to the GMM on the formal definition and use of the term “issues for resolution.” The “OJP Internal Applications Training Participant Guide,” provided to grant managers, states that grant managers should no

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<sup>2</sup> While grant managers must still upload desk reviews, many of the required documents (including post-site visit letters and reports) should be created, completed, and sent within the module.



longer use the term “finding” in formal reports, but instead use the term “issue for resolution” when there are “concerns that require action on the part of the grantee (e.g., grantee is delinquent on the financial report and needs to upload the current report to GMS).”

The updates to the GMM further define issues for resolution as “any initiatives or activities considered to be problematic as a result of observations or discussion with grantees.” The updates to the GMM also state that grant managers are required to document the action required in order for a grantee to resolve an issue, or they must note the development of a corrective action plan. These updates will be incorporated into the GMM for release in early FY 2010.

With the introduction of the monitoring module, grant managers are required to individually track each issue identified during a site visit in the GMS monitoring module. Within GMS, grantees are notified and must respond to issues for resolution within 15 calendar days of notification. The grant manager is required to follow up and/or collaborate with the grantee to resolve all issues noted. Once resolution has been achieved, grant managers mark issues for resolution as “resolved” in GMS.

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## Grant Manager Training

In FY 2009, OAAM developed a training curriculum that incorporates monitoring policy and process changes resulting from the new module. OJP grant managers and supervisors received training in FY 2009 addressing the specific policies and procedures of GMM monitoring requirements. The training covered desk reviews and pre-, post-, and on-site visit requirements. The training emphasized the importance of completing and entering post-site visit documentation in GMS, including reports, post-site visit letters, and e-mails sent and received outside of the module detailing discussions with grantees. The training also emphasized the need for identification, issuance, documentation, and resolution of issues for resolution according to the established policy.

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## FY 2010 Plans

Throughout FY 2009, we identified opportunities to further improve monitoring activities. To improve grant monitoring for FY 2010, OAAM will:

- implement a new quality review process for site visit reports;
- develop and implement a site visit validation process;



- work with the Monitoring Working Group to identify and implement improvements to the Grant Assessment Tool (GAT) and the Desk Review process; and
- through targeted training, continue to work with grant managers to improve the identification and resolution of grantee findings.

In addition to OAAM's planned activities, the following will further improve grant monitoring in FY 2010:

- For grants awarded under the American Recovery and Reinvestment Act of 2009 (Recovery Act), OJP grant managers will use the "Recovery Act Desk Review and Site Visit Checklist" addendum to address additional monitoring requirements under the Recovery Act.
- To ensure an adequate number of grants are receiving on-site monitoring, OJP grant managers will monitor 10 percent of the total number of active grants.<sup>3</sup>

To continue to improve the quality and completeness of grant monitoring across OJP, OAAM will revise the site visit report quality review process to include a sample site visit report for grant manager reference and a quality review evaluation form. The sample site visit report will provide grant managers with an example of a report that incorporates the desired reporting characteristics identified by OAAM. OAAM will use the quality review evaluation form to provide a consistent level of evaluation for a sample of site visit reports. The results of the quality review will be communicated to program offices in an effort to facilitate continuous improvement of site visit documentation.

OAAM will develop a strategy for selecting grants and programs to receive on-site validation of site visit report data. OAAM continues to review options, including accompanying program managers on site visits or conducting independent follow-up visits, to determine the best method for verifying and validating data.

In an effort to ensure that the GAT provides grant managers with the information they need to make and track their monitoring decisions and that grant managers conduct informative desk reviews, OAAM will work with

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<sup>3</sup> Due to the large number of open, active BJA awards, OJP will require BJA to monitor 5 percent of the number of open, active awards as of October 1, 2009.



the Monitoring Working Group in FY 2010 to identify and implement updates to the existing GAT.

In FY 2010, OAAM will continue to work with grant managers to improve the identification and resolution of grantee findings through a number of targeted trainings to further improve monitoring across OJP.

With the enactment of the Recovery Act, OJP has additional responsibility to ensure transparency and accountability of the use of Recovery Act grant funds through sufficient monitoring. Beginning in FY 2010, in addition to completing an annual GAT desk review, grant managers will also be required to complete and upload the “Recovery Act Desk Review and Site Visit Checklist” addendum. The Recovery Act addendum outlines the new requirements of the Recovery Act and associated guidance from the Office of Management and Budget.

Beginning in FY 2010, OJP will be enhancing its monitoring threshold levels to include an additional requirement of 10 percent of the total number of active grants.<sup>4</sup> This threshold will be in addition to OJP’s statutory requirement to programmatically monitor at least 10 percent of their open, active award dollars. The goal of the 10-percent statutory requirement was to ensure that adequate on-site monitoring of OJP grant awards was being conducted. However, for many bureaus and program offices, it is possible to meet the 10-percent statutory threshold with on-site visits to a small number of grantees with high dollar value awards. The new threshold levels will ensure that OJP is working towards improving grantee administrative, financial, and programmatic compliance, as well as grantee performance.

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<sup>4</sup>Due to the large number of open, active BJA awards, OJP will require BJA to monitor 5 percent of the number of open, active awards as of October 1, 2009.



### **OJP Post-Site Visit Monitoring Compliance With GMM Requirements in FY 2007 and FY 2008**

During a review of grant manager compliance with post-site visit monitoring requirements for 94 grants from FY 2007 and 41 grants from the first two quarters of FY 2008, OAAM found the following:

- Post-site visit letters were often not sent within the required time frames.
- Of the grants reviewed, 56 percent had all of the GMM-required documentation (the post-site visit letter and report, and in FY 2008, the GMT checklist).
- In FY 2008, grant managers reported a lack of familiarity with the GMT as a factor for absent post-site visit letters or site visit reports, as most grant managers were still adapting to the new tool.
- In some cases, grant managers did not send post-site visit letters; they followed up with grantees by phone or e-mail correspondence, but did not upload the correspondence to GMS.
- The lack of a standard definition of “finding,” grant manager reluctance to identify issues as “findings,” and lack of grant manager familiarity with GMM requirements appeared to result in problems with finding documentation.
- Of the grants reviewed, 8 percent of the grants with identified findings had formal documentation uploaded to GMS related to the follow-up and resolution of findings; grant managers often resolved findings in an informal manner.