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Federal and State Grant Management and Monitoring Procedures



UTAH COMMISSION ON CRIMINAL & JUVENILE JUSTICE

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INTRODUCTION

The following Procedures for state and federal grants were developed under the authority of Utah Code Annotated, Title 63M, Chapter 7, Section 204. The specific duties enumerated in Section 204 include:

(7) provide analysis, accountability, recommendations, and supervision for state and federal criminal justice grant monies;

(14) allocate and administer grants, from monies made available, for approved education programs to help prevent the sexual exploitation of children;

(15) allocate and administer grants funded from monies from the Law Enforcement Operations Account created in [Section 51-9-411](#) for law enforcement operations and programs related to reducing illegal drug activity and related criminal activity;

and

(17) established and administer a performance incentive grant program that allocates funds appropriated by the Legislature to programs and practices implemented by counties that reduce recidivism and reduce the number of offenders per capita who are incarcerated.

The Commission on Criminal and Juvenile Justice (hereinafter CCJJ), in keeping with duties outlined in [UCA 63M-7-204](#), promotes the efficient use of public funds in local government and in programs requiring cooperation among local, state and federal agencies.

In addition to Generally Accepted Accounting Principles, authorities used in its procedures include:

- [DOJ Grants Financial Guide](#)
- [Electronic Code of Federal Regulations \(eCFR\)](#): Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements For Federal Awards
- State of Utah Procurement Code: [Title 63G, Chapter 6A](#)
- [State of Utah Accounting Procedures](#)

Purpose, Applicability, and Scope

Purpose

These procedures were established to promote the efficient use of public funds by developing a standardized set of grant management and financial monitoring processes by requiring consistency and ensuring accountability for the expenditure of public funds.

This procedure manual also provides continuity throughout CCJJ presently and moving forward.

Applicability

The procedures described in this document apply to recipients and subrecipients of state and federal funds passed through and administered by CCJJ.

Scope

The standard management and monitoring conditions set out in the following pages are applicable to all grants, interlocal agreements, contracts, and other financial assistance arrangements awarded from CCJJ.

1. Grant Applications/Awards

(A) Procurement

CCJJ follows the procurement procedures as outlined in the [Utah Code Section 112](#) (effective date 5/5/2011) for Request for proposals and grant applications.

Grant managers receive funding to distribute grant awards from either state or federal government appropriations. Grant awards will be distributed either through a Request for Proposal issued for potential subgrantees to submit an application or based on a formula for distribution. Applications are screened by the grant manager and/or review committees. A recommendation of award monies is presented first to the CCJJ Executive Committee and then to the full Commission for approval.

Once the grant awards have been approved by the Commission, award letters are sent to the project director as identified on the application. Grant managers assign a unique number identifier to the subgrantee that identifies the grant program and year of award. Grant managers enter the information into the Grant Management System Database (GMS database), thus allowing the subgrantee to electronically file monthly/quarterly financial reports for reimbursement.

If the Commission fails to approve the award recommendations, the [Procedures for Competitive Grant Review](#) will be followed

(i) Sole Source

CCJJ follows the processes and rules for sole source procurement outlined in Utah Code [63G-6a-802](#) and in [CFR section 200.320](#).

(B) Budget Detail Overview

Approved grant applications contain a detailed budget. The budget detail must provide detailed information to determine appropriate allocation of funds in the identified categories. Additionally, the budget must specify how the subgrantee arrived at the figures by showing appropriate calculations. The budget narrative should explain and justify the requests. All requests are to be reasonable and credible to the specific categories (personnel, contract consultant, equipment supplies and operating (ESO), travel/training, and confidential informant funds) as follow:

(i) Personnel

Must identify by name (if known) any grant paid employees, the number of hours, rate of pay, and any fringe benefits charged to the grant. The hourly rate of pay must be reasonable and consistent with that paid for similar work in the organization or in the labor market. Subgrantee must follow agency, state, and federal regulations regarding payroll withholdings, wages, and work hours.

(ii) Indirect Cost

Must identify indirect costs to be charged as part of the grant budget. According to the Guideline, one of the following options must be chosen by subgrantees:

Federally Negotiated Indirect Cost Rate: If a subgrantee has a negotiated Modified Total Direct Cost (MTDC)* rate with the Federal Government, then you may:

- a. Request indirect costs at the fully negotiated rate.
- b. Request an indirect cost rate at less than the negotiated rate.
- c. Request NO indirect cost.

****Proof of the negotiated rate must be submitted with the grant application.****

10% de Minimis Rate: If a subgrantee does not have a negotiated Modified Total Direct Cost (MTDC)* rate with the Federal Government, the Guideline allows the subgrantee to request:

- a. Request the full 10% rate.
- b. Request a rate less than 10%.
- c. Request No indirect cost.

Waive Indirect Cost:

If a subgrantee's operational costs are fully covered by charging these costs as administrative (direct) costs, or if the subgrantee calculates indirect costs and determines that these costs are immaterial, then the subgrantee may waive any indirect cost reimbursements.

(iii) Consultant/Contract

Must identify by name the consultant to be hired with copies of the appropriate credentials and a copy of the legally executed contract for the grant file. Any contracts entered into must follow the subgrantee's agency's written procurement policies, or if no policy exists, the State of Utah purchasing policies. Costs for a consultant must be reasonable in relation to the services rendered with a statement that the services cannot be performed with current resources. Subgrantees entering into contracts must perform periodic internal written reviews to ensure the contract is complied with and deliverables are being met.

(iv) Travel and Training

Costs must adhere to the agency's policies and procedures and must be as restrictive as the State of Utah's travel policy. The application must list the proposed travel destination, the travelers name, if known, and an estimate of the costs for registration, housing, and per diem. Post-travel documents must include a conference/training agenda, receipts, and a reconciliation form identifying actual expenditures.

(v) Equipment/Supplies/Operating (ESO)

Must include item descriptions, unit costs, and quantity of purchases. Specific equipment purchases must be detailed with an explanation on how the item will support the grant project.

The purchases must follow the regular written procurement policies of the home agency; or if no policy exists, the purchasing policy for the State of Utah.

Vague and general descriptions are subject to the interpretation of validity by the grant manager and the grant monitor.

(vi) Confidential Informant (CI)/Undercover Buy (UC) Funds

CI/UC funds are used only by law enforcement agencies. Subgrantees awarded CI/UC funds must adhere to restrictive procedures on tracking the funds. Commander and officer logs are available on CCJJ's web page and are to be used unless the same information is contained in a format supplied by subgrantee and approved by CCJJ. Awarding of CI/UC funds places the grant in a "high risk" category and must be monitored annually.

(vii) Grant-Funded Undercover Officer Buy Policy

Agencies that would like to use grant funds for undercover (UC) office buys must get UC funds approved in their grant budget. Agencies must work with the grant manager to obtain prior authorization. If grant funds are utilized for UC buys the agency must record each transaction with the same procedures as confidential informant (CI) funds. In the CI# column, agencies shall put "UC" instead of the CI# to denote the transaction was an undercover buy.

*When a CCJJ monitor conducts a site visit, they will review the CI/UC logs for accuracy and adherence to this policy.

(viii) Conferences/Meetings/Trainings, Other Events funded through Federal Awards

Compliance with applicable rules regarding approval, planning, and reporting of conferences, meetings, trainings, and other events: The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable laws, regulations, policies, and official DOJ guidance (including specific cost limits, prior approval and reporting requirements, where applicable) governing the use of federal funds for expenses related to conferences (as that term is defined by DOJ), including the provision of food and/or beverages at such conferences, and costs of attendance at such conferences.

Information on the pertinent DOJ definition of conferences and the rules applicable to this award appears in the DOJ Grants Financial Guide (currently, as section [3.10 of "Post-award Requirements"](#) in the " DOJ Grants Financial Guide"). Additional information can be found in the [eCFR chapter 301](#).

(C) Online Grant Management System Database

It is the responsibility of the subgrantee to ensure all employees with online access to the CCJJ Grant Financial System (GMS) database are current employees with duties requiring access to the GMS database. When subgrantee's employee no longer requires access, the subgrantee is required to remove the employee's access to the GMS database.

It is the responsibility of the CCJJ Grant Manager to remove subgrantee's program director's access to the GMS database when job duties change, and they no longer require access. CCJJ Grant Managers will reassign access to another project director when necessary.

It is the responsibility of the Grant Monitor to remove CCJJ employees' access from the GMS when they leave employment or no longer require access.

(D) Mobile Devices and Computers

The CCJJ adopts by reference the Department of Technology Services [Enterprise Mobile Device Policy](#), dated December 9, 2013 (Reviewed February 2023) under authority of [UCA 63F-1-103](#); [Utah Administrative Code R895-7](#) (Effective date July 14, 2021) Acceptable Use of Information Technology Resources; Utah Administrative Code, [R477-11](#) Discipline

(E) Certified Assurances and Grant Conditions Overview

All grant applications shall have Certified Assurances and Grant Conditions included in the file. These documents contain an overview of the restrictions placed on receiving federal and/or state grant funds. Any clarification on meanings or interpretations will be decided by CCJJ.

Special conditions are terms and conditions that are included with an award and may include additional requirements. When a federal award has a special condition that is not passed to the subrecipient, the grant manager shall document why it was not passed to the subrecipient.

*A copy of the Certified Assurances and Grant Conditions is available upon request.

(F) Financial Management Procedures CCJJ/Cash Management Procedures for Receipt of Federal Funds

Effective 10/21/2019, amended January 2022

1. Subgrantee submits a Financial Status Report (FSR) for reimbursement of funds through the online Grants Management System (GMS).
2. State agencies submit an FSR for reimbursement of funds through the online GMS but also submit an ITA through the state system for the electronic transfer of the funds.
3. Program Manager (PM) approves reimbursement requests in GMS then records payment information in a shared Grant Tracking Spreadsheet, changing the status to reflect it being approved and ready for monitoring by Grant Analyst.
4. Program Manager will process reimbursement requests received through the GMS up to the 27th day in the month following the last month of each quarter.
5. The Grant Analyst conducts standard FSR monitoring and reviews the approved FSRs for accuracy and compliance. If there are discrepancies or non-compliance issues, the Grant Analyst will put the reimbursement on hold and work with the grantee until all issues are resolved and the FSR is ready to process for payment.

6. The Grant Analyst has three working days to verify the information related to the reimbursement request is accurate and can be approved. FSRs with discrepancy or non-compliance issues may take longer to achieve approved status.
7. Once the FSR is approved by the Grant Analyst, the Grant Analyst changes the Grant Tracking Spreadsheet to reflect that the FSR is ready for payment. The Grant Analyst directs it to the correct staff member for payment processing.
 - ITAs are approved and submitted for payment in the state financial system by The Deputy Director or Financial Manager.
 - IETs and PRCs are entered in the state financial system by the Financial Manager. The Deputy Director approves them and submits them for payment.
 - GAX payments are entered in the state financial system by the Administrative Assistant. The Deputy Director or the Financial Manager approves them and submits them for payment.
8. The applicable staff member, Financial Manager, or Administrative Assistant enters payment request information in the state financial system within three working days of receipt.
9. The Deputy Director or Financial Manager approves each entry within two working days of the Administrative Assistant's payment entry into the state financial system, or for ITAs, within two days of receipt of FSR from the Grant Analyst.
10. After all approvals have been applied and the correct payment type is submitted in the state financial system, State Finance issues a warrant to the subgrantee or an electronic transfer of funds to a state agency.
11. The Financial Manager retrieves financial records from the state financial system for the monthly administrative costs billed to a grant program. Reimbursement for allowable administrative costs charged to a grant program shall be recorded on a spreadsheet for each individual grant, and on the drawdown document.
 - Any pass-through payments received that month are also logged on a spreadsheet, and on the drawdown document. The drawdown document lists each grant federal aid number, grant number, individual payment amounts, and a draw total for each grant. The drawdown document is then given to the Deputy Director for review and approval. Once approved, they are all drawn monthly from the federal Automated Standard Application for Payments (ASAP) system.
12. Once the funds are drawn in ASAP; a receivables (RE) document is created (on the same day) in the state financial system. The Financial Manager must verify the drawdown document and the RE document totals match.
13. Within four working days, federal funds are transferred electronically from the federal government to the department (CCJJ) Wells Fargo Bank account. The Financial Manager tracks when the funds are deposited, once received, then creates a cash receipt (CR) document in the state financial system.
14. The Financial Manager verifies the accuracy of the transferred federal funds on the monthly bank statement.

The State of Utah follows the Cash Management standards in the [Electronic Code of Federal Regulation \(eCFR\)](#): Part 200—Uniform Administrative Requirements, Cost Principles, And Audit Requirements For Federal Awards section [§ 206.6 Cash management planning and review](#)

More information about the State of Utah's accounting operations and Internal Control Programs and Internal Control Questionnaires can be found [here](#).

(G) Subrecipient's Financial Management Requirements

(i) Accounting Systems

All subgrantees must have an established and adequate accounting system that will:

1. identify receipt and expenditure of grant funds;
2. maintain adequate documentation of backup receipts and expenditures;
3. provide accurate and current financial reporting information (including detailed ledgers);
4. integrate with an adequate system of internal controls to safeguard assets and cash management procedures; and
5. be able to record and report on the receipt/source documents, obligations, and expenditure of grant funds.

All systems must comply with Cost Principles detailed in the [Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#).

(ii) Financial Duties

All financial duties must be segregated among personnel. Checks should be prepared by a person other than the one who authorized the payment. Purchases must be approved by a department head and/or grant project director.

(iii) Management Oversight

Invoices must have the project director's written approval in order to pay vendors. Written purchasing policies must be maintained and followed on all grant expenditures. The project director must have access to and periodically review the detailed ledger or other financial reports for all financial transactions related to the grant.

(iv) Reasonable Costs

A cost is reasonable if, in its nature or amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the costs (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, [§200.404](#)).

(v) Budgetary Controls

Obligations should not be incurred in excess of the total funds for a grant or the total funds available for a cost category. However, most grants allow for up to a ten percent overspending in any one category only if unspent funds are available in another approved category.

Any change in the approved grant budget expenditures that exceed ten percent of the budgeted amount in an approved category must be submitted on a Grant Change Request and approved by the CCJJ grant manager prior to the grantee making the purchase of the item or service.

(vi) Equipment Inventory/Fixed Asset Policy

Subgrantees must maintain on file an inventory report of all equipment purchased with grant funds during the grant period, regardless of cost. Continuation subgrantees must maintain an extended equipment list with written procedures on surplussing outdated equipment. Additionally, subgrantees must comply with their home agency's fixed asset requirements.

[As of July 1, 2023](#), the following procedures are required of subgrantees:

Property records must be maintained and submitted quarterly that includes (a spreadsheet will be provided for tracking this information):

1. Description of property
2. Serial number
3. Cost
4. Location (where stored)

Subgrantees must have an inventory control procedure in place that includes:

1. A physical inventory of the property is taken at a minimum every two years.
2. Maintenance procedures to keep the property in good condition.
3. Control system with safeguards to prevent loss, damage, and theft.

(vii) Cash Management for Confidential Informant Funds

Recipients and subrecipients that administer confidential funds may establish different procedures for administering these funds to provide quick access to funds to meet the needs of the project. Written policies and procedures must be in place to address confidential funds but at a minimum comply with the Confidential Funds Grant Condition attached to their grant application.

(viii) Financial Status reports (FSRs)

Subgrantees must file an FSR either monthly or quarterly depending on the set up of each grant. The FSR report must have *at minimum* a detailed ledger attached that accurately reflects and supports the funds requested for reimbursement.

Quarterly reports and performance measures must also be attached as required by the grant program managers. If there is no grant activity for a reporting period, the subgrantee must submit a zero FSR for that period.

Late reports, inaccurate reports, or other non-compliance factors put the grantee at risk to have their FSR put on hold and reimbursement withheld until non-compliance issues are resolved.

(ix) Single Audit Requirement (effective July 1, 2022)

CCJJ grant award documentation includes a condition regarding the single audit requirement. CCJJ grantees are required to send a signed certification regarding audit requirements with their grant award documentation. The certification includes the following information:

If Grantee expends total direct or indirect federal assistance of \$750,000 or more per year, Grantee agrees to: obtain either a single audit or a program-specific audit made for that fiscal year in accordance with 2 CFR § 200 Subpart F: Audit Requirements; and,

b) to comply with the Audit Requirements in 2 CFR 200 Subpart F: Audit Requirements. The audit shall be made by an independent auditor. An independent auditor is a state or local government auditor or a public accountant who meets the independence standards specified in the General Accounting Office's "Standards for Audit of Governmental Organizations, Programs, Activities, and Functions."

The audit report shall state that the audit was performed in accordance with the provisions of 2 CFR § 200 Subpart F: Audit Requirements. The reporting requirements for audit reports shall be in accordance with 2 CFR § [200.514-520](#). In addition to the audit report, Grantee shall provide comments on the findings and recommendations in the report, including a plan for corrective action taken or planned and comments on the status of corrective action taken on prior findings in accordance with [2 CFR § 200.508-512](#). If corrective action is not necessary, a statement describing the reason it is not should accompany the audit report.

Grantee must agree that CCJJ, the Legislative Fiscal Analyst, the State Auditor, and any independent auditor designated by the CCJJ shall have such access to Grantee's records and financial statements as may be necessary for CCJJ to comply with [2CFR § 200.500](#) Requirements for Pass-through Entities and Subpart F: Audit Requirements for Pass-Through Entities found in 2 CFR § 200.521.

Per [2 CFR § 200.510](#) (b) Grantees must also prepare a schedule of expenditures of Federal awards (SEFA) for the period covered by the grantee's financial statements which must include the total Federal awards expended as determined in accordance with [§ 200.502](#). Grantee agrees to retain documentation to support the SEFA for at least three (3) years past the end of the grant.

The audit must be completed, and the reporting package must be submitted to the Federal Audit Clearinghouse (FAC) within the earlier of 30 calendar days after the receipt of the auditor's report, or nine months after the end of the audit period. Unless restricted by Federal statutes or regulations, the auditee must make copies available for public inspection. Auditees and auditors must ensure that their respective parts of the reporting package do not include protected personally identifiable information.

CCJJ's grant monitoring team will follow up to ensure compliance with the information contained in this certification.

(x) Program Income

Program income means gross income earned by the recipient during the funding period as a direct result of the award. Direct result is defined as a specific act or set of activities that are

directly attributable to grant funds and which are directly related to the goals and objectives of the project. Determinations of “direct result” will be made by the awarding agency for discretionary grants and by the State for block/formula subawards. Fines and penalties are not considered program income. Program income may be used only for allowable program expenses – if the cost is allowable under your program award, then it is allowable to apply program income to that cost.

(xi) Supplanting

To deliberately reduce or reallocate local or agency funds because of the existence of the federal or state funds. Grant funds must increase or **supplement** the funding available for the grant project.

(H) Subgrantee Training

(i) CCJJ procedures for grant related training:

1. When requested, one-on-one training is provided for subgrantees and is scheduled either onsite or at CCJJ’s office.
2. Written instructions for financial online reporting can be accessed from CCJJ’s web page <https://justice.utah.gov/grants/grant-resources/> Questions regarding the online financial reporting can be directed to the Grant Monitor.
3. Grant managers will determine when training is needed for subgrantees.
4. Specific questions regarding EEOs are referred to the Office of Civil Rights as well as providing the OCR link <https://www.ojp.gov/about/ocr/eeop.htm> .

(ii) Civil Rights and Discrimination Policy Training

Before a subgrantee can be reimbursed for any expenses associated with their award, the grant project director must review and certify compliance with Federal Equal Employment Opportunities. The subgrantee must review the training on Civil Rights and Discrimination Policy Training found on the CCJJ website Grant Resources page:

<https://justice.utah.gov/grants/grant-resources/> It can also be viewed direct from this link: <https://prezi.com/view/pq6Ri9xleHsqt03J7BHw/>. It will be the responsibility of the grantee’s Program Manager to ensure that the signed certificate is included in the subgrantee grant file. The Grant Monitor will check for compliance during monitoring. CCJJ subgrantees must take this training and submit a signed certificate annually.

(iii) Websites to Rules and Regulations

National Environmental Policy Act (NEPA)
<https://www.bja.gov/Funding/nepa.html>

28 C.F.R. Part 23, Criminal Intelligence Systems Operating Policies, Executive Order
https://it.ojp.gov/documents/28cfr_part_23.pdf

28 C.F.R., Part 38, Partnerships with Faith-Based and Other Neighborhood Organizations

<https://ojp.gov/about/ocr/partnerships.htm>

Dun and Bradstreet Data Universal Number System (DUNS) Number

<http://dnb.com>

U. S. Department of Justice, Financial Guide

https://ojp.gov/financialguide/doj/pdfs/DOJ_FinancialGuide.pdf

Office of Management and Budget Guidance for Grants and Agreements:

<https://ecfr.federalregister.gov/current/title-2>

Utah Code

<https://le.utah.gov/xcode/code.html>

Utah Code Annotated, 1953 as amended, Budgetary Procedures Act

http://le.utah.gov/xcode/Title63J/Chapter1/63J-1.html?v=C63J-1_1800010118000101

Utah Code Annotated, 1953 as amended, State Money Management Act, Title 51, Chapter 7

http://le.utah.gov/xcode/Title51/Chapter7/51-7.html?v=C51-7_1800010118000101

(I) Program Manager Responsibilities

CCJJ Grant Program Managers are responsible for managing, administering, and fulfilling reporting requirements pertaining to the management of the grant program. Federal grant programs hosted by the Department of Justice, Bureau of Justice Assistance, are subject to reporting requirements based on the conditions of the award.

Title 2, Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, [Section 200.328](#), Monitoring and reporting program performance, (b) Non-construction performance reports (1), states that “The non-Federal entity must submit performance reports at the interval required by the Federal awarding agency or pass-through entity to best inform improvements in program outcomes and productivity. Intervals must be no less frequent than annually nor more frequent than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes.

Reports submitted annually by the non-Federal entity and/or pass-through entity must be due no later than 90 calendar days after the reporting period. Reports submitted quarterly or semiannually must be due no later than 30 calendar days after the reporting period.

Alternatively, the Federal awarding agency or pass-through entity may require annual reports before the anniversary dates of multiple year Federal awards. The final performance report submitted by the non-Federal entity and/or pass-through entity must be due no later than 120 calendar days after the period of performance end date. A subrecipient must submit to the pass-through entity, no later than 90 calendar days after the period of performance end date, all final performance reports as required by the terms and conditions of the Federal award.

CCJJ is required to submit quarterly, semiannual, and/or annual performance reports on specific dates as stipulated in the special conditions on each of the federal award documents. Program reports for all DOJ grants must be submitted online through the DOJ's JustGrants System.

(J) Grant Monitoring

Absent any written policies and procedures for monitoring of state grants, the DOJ Financial Guide and the eCFR may be used as the authority for direction in determining reasonable expenditures. The following pages will detail various aspects of the monitoring process.

(i) General Information

CCJJ conducts both programmatic and financial monitoring of its grantees. Grant Program Managers are responsible for programmatic monitoring activities of their respective grantees and the CCJJ Grant Monitor is responsible for financial monitoring activities of all CCJJ grantees. There are three types of monitoring activities for use by the Grant Program Manager and the Grant Monitor. All three types of monitoring activities can be either programmatic or financial in nature. These monitoring activities are outlined and defined below.

(ii) Types of Monitoring Activities

- Standard Financial Status Report (FSR) Monitoring - Monthly or quarterly review of documentation submitted by grantee in support of reimbursement request. The grant monitor thoroughly reviews all documentation before approving the submission for payment.
- Desk Review - Focused examination of required grant documentation and financial systems. The intent of the desk reviews is to check for accuracy and that all grant costs are reasonable, allowable, and allocable. Desk reviews are conducted with either Standard FSR Monitoring desk reviews or in depth Desk Reviews (as described below).
- Site Visits - Monitoring that occurs at the grantee's office or program location. Site visits may be conducted with both the Grant Program Manager and Grant Monitor present, or the Grant Manager or Grant monitor may conduct a site visit individually at any time throughout the grant period.
- Technical Assistance - Training for, or remediation of, weaknesses in programs, processes, operations, internal controls, or other issues found during routine monitoring activities. Can be initiated by grantee, Grant Program Manager, or Grant Monitor. Technical assistance may be done formally or informally, depending on the nature of the assistance needed.

(iii) Frequency of Monitoring

Per [Utah's Appropriations Bill performance measures](#), CCJJ is required to report its grant monitoring activities annually. Fluctuation in the number and types of monitoring activities conducted each year reflects the availability of monitoring staff and a focus on risk-based financial monitoring levels as described below.

The required performance measure monitoring will be captured via the Monitor Report in GMS.

(iv) Risk-Based Financial Monitoring

CCJJ will perform financial monitoring based on the risk assessment assignment during the award phase. These are minimum standards. At any time throughout the grant period, the Grant Program Manager may request the Grant Monitor to conduct additional monitoring activities.

Low-level risk grants will have *Standard FSR Monitoring*. Subgrantees assigned as medium level-risk will have *Standard FSR Monitoring* and at least one *In-Depth Desk Review* during the grant period. Grants with a high-level risk will have *Standard FSR Monitoring*, plus at least one *In-depth Desk Review*, and at least one *Site Visit Monitoring* during the grant period.

- *Standard FSR Monitoring*

Standard FSR Monitoring shall consist of reviewing and reconciling all financial documentation submitted as part of the regular reimbursement requests prior to each payment to the subgrantee. During this process, the Grant Monitor may request additional information or documentation from a subgrantee. Compliance to budget narrative and grant terms and conditions will be reviewed during this process.

The additional information and any relevant monitoring notes will be uploaded to the monitoring tab in GMS. If no additional information is requested, the dated signature on the FSR will document the standard FSR monitoring activity.

- *In-depth Desk Review Monitoring*

An In-depth Desk Review shall consist of requiring the subgrantee to fill out a Desk Review Survey and submit any requested documentation. See *Sample of Pre-Review Document List* below. This list is not exhaustive and is dependent on what is applicable to the specific subgrant.

[Sample of Pre-Review Documents List:](#)

1. Detailed ledgers for all grant paid expenditures for the entire grant period (if not already on file on the GMS Database). If the subgrantee is a task force, a detailed ledger for Program Income is also included in the request.
2. Payroll journal for grant-paid personnel.
3. Copy of the home agency's travel policy (if travel funds approved).
4. Copy of contracts (if not on file).

5. A *Subgrantee Desk Review Survey* for subgrantees to be completed by the Project Director and/or the Financial Officer.
6. Copy of EEOP certification.
7. Copy of Federal Civil Rights Compliance Requirements.
8. Copy of current Single Audit.
9. Copy of required Civil Rights and Discrimination Policy Training certificate.

After review of the documentation, a request for random invoices/receipts to support expenditures may be requested. After the desk review is complete the grant monitor will prepare a monitoring findings report as outlined below.

- *Site Visit Monitoring*

Prior to the scheduled site visit, the Grant Monitor will request the same Pre-Review Documents listed above. Grant Monitor will review completed Subgrantee Desk Review Survey (if required) prior to visit and may request additional information and/r documents during the site visit. During the site visit, Grant Monitor will review the grant funded-equipment list with serial numbers and location for spot review during visit.

The Grant Monitor may prepare a reconciliation spreadsheet from subgrantee provided CI logs - if CI funds are approved. This will be compared to the commanders CI logs and receipts and other necessary documentation will be checked during the site visit.

After the site visit is complete the grant monitor will prepare a monitoring findings report as outlined below.

- *Post Desk Review or Site Visit Actions*

After the in-depth desk review and/or site visit is complete, the grant monitor will prepare a findings report and submit a draft to the grant manager detailing any findings. The report is then finalized and sent to the subgrantee.

Depending on the nature of the findings, corrective actions may be needed to remedy non-compliance issues. If necessary CCJJ will provide a corrective action plan to reduce future risk.

Subgrantees have the opportunity to respond to the Monitoring Report using CCJJ's "Monitoring Report Response" template. Follow up may be required if any issues remain outstanding. The Monitoring Report, Monitoring Plan to Reduce Risk Assessment, Grantee Monitoring Report Response and any relevant notes and documentation will be uploaded to the monitoring tab in GMS.

General Information

- The Grant Monitor will set deadlines for receipt of documentation.
- Lack of response by deadlines may require withholding of grant payments.
- If required, the Grant Monitor will work with the Grant Program Manager on corrective action plans.

Common Findings

- Time sheets not signed.
- Actual activity not documented.
- Purchase of unallowable items charged to grant not approved in budget.
- Overtime not proportionately charged to grant.
- Equipment was not used solely for the grant project.
- Lack of separation of financial duties.
- Missing receipts or invoices.
- Commingled funds: separate grants = separate accounts.
- Personnel documents do not track the percentage of time for grant projects.
- Required *Civil Rights and Discrimination Policy Training* not taken, or certificate not signed and retained in grant file.
- CI fund file documentation not complete.
- Consistently late submission or non-submission of required reports.

Minor finding definition

A minor finding is defined as one that does not have a significant material impact on overall compliance requirements. It does not prevent the overall program objectives from being met but still needs addressed to strengthen compliance and/or internal controls.

Major finding definition

A major finding is defined as one which includes negligence, deficiency, or non-compliance that creates serious errors and irregularities. This could be unintentional or intentional and may prevent the program objectives from being met. Major findings have a greater potential to include one or more elements of fraud, waste, or abuse of grant funds.

Remedies for Non-Compliance

In the event CCJJ grantees become non-compliance with the terms and conditions of their award, it may be necessary to impose remedies to correct non-compliance issues. If CCJJ determines that a grantee has failed to comply with their grant terms and conditions, and said grantee is non-respondent to requests to remedy issues, CCJJ staff reserves the right to take one or more of the following actions:

- Temporarily withholding of reimbursements
- Disallowance of all or part of cost of activities
- Whole or partial suspension of award activities
- Designation of high-risk assignment
- Termination of award
- Withholding or denial of future funding
- Other remedies legally available

CCJJ will provide the grantee with written notification of remedy for non-compliance. The notice will state the decision made, the reason(s) for the decision, the action(s) taken, any effective dates, and if the action(s) taken may lead to termination and/or potential denial of future funding due to non-compliance.

(K) Risk Assessment Factors and Definitions

The following criteria will be used to determine the degree of risk for each grant:

- (1) first year grants usually have high incidences of non-compliance;
- (2) non-profit groups without sophisticated accounting systems;
- (3) new management of programs;
- (4) programs with confidential informant/undercover buy funds;
- (5) high dollar amount of grant; and
- (6) prior monitoring findings.

Financial reviews will test financial compliance with more integrity during the review process with emphasis on a subgrantee's fiscal accountability. Depth and frequency of financial monitoring will be based on risk assignment score from the *Subgrantee Risk Assessment Tool* effective January 1, 2020 (amended December 2021).

Risk assessment will be conducted annually during the award phase. Risk assessment may be adjusted at any time throughout the grant period, dependent on monitoring findings or other factors.

(i) Definitions

Low-Risk Subgrantees

A grantee or subgrantee is considered low-risk when their risk assessment score indicates they do not have significant risk factors. Low-risk subgrantees are subject to Standard FSR Monitoring.

Medium-Risk Subgrantees

A grantee or subgrantee is considered medium-risk when their risk assessment score indicates they meet some of the risk factors. Medium-risk subgrantees are subject to Standard FSR Monitoring and In-Depth Desk Reviews.

High-Risk Subgrantees

A grantee or subgrantee is considered high-risk when their risk assessment score indicates they have significant risk factors. High-risk grantees are subject to Standard FSR Monitoring, In-depth Desk Reviews, and Site Visits. A grantee or subgrantee may be considered "high-risk" if the awarding agency determines that a grantee or subgrantee:

- has confidential informant funds
- has a history of unsatisfactory performance:
- has repeated major findings as described above:
- is not financially stable:
- has a management system which does not meet the management standards set forth in this part:
- has not conformed to terms and conditions of previous awards; or
- otherwise, is not responsible.

Grant managers awarding funds to high-risk recipients may document additional special conditions and/or restrictions to be included in the award.

The Risk Assessment Tool can be found [here](#).