

COMMON MONITORING FINDINGS AT-A-GLANCE

This document was developed based on the U.S. Department of Labor Employment and Training Administration's [2018 Core Monitoring Guide](#) and presents a list of findings/issues frequently identified during grant monitoring reviews.

CORE ACTIVITY 1: SERVICE DESIGN AND DELIVERY

Objective and Requirement	Common Findings
1.e: Participant Services The grant recipient is implementing the required service delivery strategy outlined in its award and is providing all required services to participants.	- Participant service policies are not in place: Eligibility/enrollment, priority of service, assessment, supportive services, training services, placement, follow-up services. - Not all participant services stipulated in the Statement of Work (SOW) are provided. - Priority of service to veterans and other priority populations is not provided.

CORE ACTIVITY 2: GRANT OPERATIONS

Monitoring Objective and Requirement	Common Findings
2.a: Project Management The grant recipient has an adequate system in place to manage the grant/project, including any specific award conditions, prior approval of project modifications, and closeout requirements.	- The grantee does not have a clear understanding of modification process. - There are no written policies and procedures for modifying the grant, grant closeout.
2.b: Budget The grant recipient has a financial management system or budget control mechanism in place to monitor spending, determine allowability of costs, compare and reconcile the budget to actual expenditures. The system also has triggers for budget modifications when deemed necessary.	- Actual vs. planned budget analysis is not performed. - Actual vs. planned budget analysis is not based on budget form SF-424A categories. - The grantee is not operating within approved budget.
2.c: Property management The grant recipient maintains a property management system in accordance with all prior approval requirements, terms, and conditions of the award, and written programmatic policies and procedures.	- Lack of written policies and procedures for purchase and disposition of equipment, supplies, and intangible property developed with grant funds. - Equipment is purchased without prior Grant Officer's approval.
2.d: Procurement and Contract Administration The grant recipient maintains an adequate procurement/purchasing system that includes written procedures and ensures that all contracting, or procurement actions are performed in a manner that provides for full and open competition.	- Lack of written policies and procedures for procurement. (Note: grantee should follow the same policies and procedures that it uses for procurement with non-federal funds.) - Required contract provisions are not included in the contractual agreements. - Procurement is not conducted with full and open competition. - Cost or price analysis for all procurement actions in excess of Simplified Acquisition Threshold (\$250,000 in 2019) is not performed.

Monitoring Objective and Requirement	Common Findings
2.e: Performance Management The grant recipient maintains a performance management system to manage, track, and measure performance and operating goals, indicators, milestones, and expected outcomes that comply with the terms and conditions of the award.	▪ Lack of process to identify, collect, validate, and report the required performance data. ▪ Lack of a performance monitoring tool measuring grant progress to ensure that desired outcomes are achieved by the end of the period of performance.
2.e: Performance Management The grant recipient manages all of its subrecipients and tracks their performance and compliance in meeting the terms and conditions of the subaward.	▪ The grantee does not understand distinctions between subrecipients and contractors. ▪ Pre-award risk assessment of subrecipients has not been conducted. ▪ There not process (tool) to perform subrecipient monitoring and resolve resulting findings. Subrecipient monitoring has not been conducted. ▪ Subrecipients' quarterly performance and financial reports are not required/received.
2.g: Records Management The grant recipient maintains a system and implements procedures to manage and secure all financial records, supporting documents, statistical records, and all other records pertinent to the Federal award.	▪ Lack of written policies and procedures for retention of records. ▪ Written policies and procedures for records retention are not in compliance with the Uniform Guidance. ▪ Required accessibility clause granting DOL, the DOL Inspector General, the Comptroller General of US, the Pass-Through Entity (PTE) and any of its authorized representatives access to grant-related records is not included in the policies and procedures. ▪ Measures for protecting the Personally Identifiable Information (PII) are not in place.
2.h: Personnel The grant recipient's management and staffing are aligned with the SOW, State Plan, or project plan and designed to assure responsible and ethical management of the grant/project.	▪ Salary and bonus limitation requirement is not observed. ▪ Lack of policies and procedures related to personnel/hiring.
2.i: Civil Rights, Complaints, Grievances, and Incident Reporting The grant recipient has a system in place to ensure the Federal Civil Rights complaints, program complaints, grievances, and incidents are handled properly and in accordance with Federal requirements.	▪ Lack of written discrimination complaint procedures. ▪ Required wording (29 CFR 38.34) stating that the program or activity in question is an "equal opportunity employer/program" and that "auxiliary aids are available upon request to individuals with disabilities" is not included on publications. ▪ The required "Equal Opportunity is the Law" notice (29 CFR 38.35) is not posted in reasonable numbers and places and made a part of grant participants' files. ▪ The "Equal Opportunity is the Law" notice/poster does not include all non-discrimination bases, and/or does not include other required information, or not the correct one. ▪ Lack of process and/or policies and procedures for incident reporting – fraud, waste, abuse, mismanagement of funds, etc.

CORE ACTIVITY 3: FINANCIAL MANAGEMENT

Monitoring Objective and Requirement	Common Findings
3.a: Internal Controls Effective control, integrity, and accountability are maintained for achievement of the grant's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations, and policies.	▪ Lack of internal controls in place to prevent unauthorized purchases and disbursements of grant funds; and safeguards of assets, so not one person controls the order, receipt, payment, reconciliation, management, and disposition of an asset.
3.b : Accounting System and Financial Reporting An accounting system is in place that allows the grant recipient to maintain accurate and complete disclosure of the grant's financial results and those of its subrecipients.	▪ Lack of written policy to ensure that accounts are reported on an accrual basis. ▪ Accrued expenditures are not tracked. ▪ Quarterly financial reports are not submitted on accrual basis. ▪ Subrecipients' financial reports are not required/submitted.
3.c: Payment and Cash Management Effective control, integrity, and accountability are maintained for achievement of the grant's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations, and policies.	▪ Lack of cash management policies and procedures; improper payments.
3.d : Match and Leveraged Resources The grant recipient has written policies and procedures in place to record and support any required match or leveraged resources committed or identified in the award or program regulations.	▪ Lack of written policies and procedures for match (or leveraged resources) requirements, including identifying, valuating, tracking, and reporting. ▪ There is no system for tracking match (or leveraged resources) contributed to the grant. ▪ Match (or leveraged resources) is not reported on the quarterly ETA-9130 financial reports. ▪ The grantee is not on track to meet the match requirement.
Objective 3.e: Program Income The grant recipient has written policies and procedures in place to accurately record and expend the program income in compliance with applicable Federal statutes, implementing regulations, the terms and conditions of the grant award.	▪ Lack of written policies and procedures for program income requirements, including identifying, tracking, reporting and spending. ▪ Program income is not reported on the quarterly ETA-9130 financial reports.
3.f: Allowable Costs and Cost Classification The grant recipient has a system and procedures in place to ensure that it is incurring necessary, reasonable, and allowable costs to the grant and that such costs are accurately classified in its accounting system. The grant recipient also monitors the costs incurred by its contractors and subrecipients to ensure allowability and accurate cost classification.	▪ Lack of written policies and procedures ensuring that the grant is incurring necessary, reasonable, and allowable costs, based on the Uniform Guidance Subpart E - Cost Principles.
3.g: Cost Allocation The grant recipient allocates costs including indirect costs to the benefitting cost objectives based on relative benefits received and treats	▪ Staff is not keeping accurate timesheets, allocating time based on formula and not on actual hours spent on the grant. ▪ The grantee is charging indirect costs without a current Negotiated Indirect Cost Rate Agreement (NICRA) in place.

Monitoring Objective and Requirement	Common Findings
allocated costs consistently within its accounting system.	
3.h: Audit and Audit Resolution The grant recipient adheres to the single or program-specific audit requirements and has an audit resolution process in place including debt collection for its subrecipients.	▪ The required Single Audit has not been performed. ▪ The grantee does not have a system in place to ensure that subrecipients' audits are conducted and resolved.