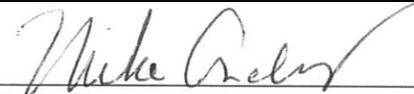


**State of Alaska**  
**Department of Labor and Workforce Development**

<b>Division:</b> Employment and Training Services	<b>Policy:</b> 07-523
<b>Subject:</b> Grant Monitoring	<b>Pages:</b> 3
<b>Reference:</b> <a href="#">Federal Register 2 CFR 200.328</a> ; <a href="#">8 AAC87.170 Records Inspection and Retention</a> ; <a href="#">Program Monitoring and Audit</a> ; <a href="#">Federal Register, Vol. 80, No. 73 NPR</a> ; <a href="#">Workforce Innovation and Opportunity Act Public Law 113-128</a>	<b>Effective:</b> 2/3/2016
<b>Approved:</b>  Mike Andrews, Director	<u>2/3/16</u> Date

**1. Parties Affected**

The Division of Employment and Training Services (DETS) staff and grant recipients receiving public funds from DETS.

**2. Background**

Federal uniform administrative requirements for grant awards as promulgated in the Office of Management and Budget Circulars and/or state statutes and federal regulations require monitoring to be conducted to ensure sound financial management and program activities are in line with statute, legislative or other funding source intent.

Monitoring consists of a review of both financial and programmatic elements to ensure:

- a) the grant recipient's financial management systems:
  - i. provide fiscal control and accounting procedures to permit timely preparation of required reports;
  - ii. permit the tracing of funds to establish that funds have been used in accordance with fund restrictions;
  - iii. demonstrate compliance with matching requirements, cost limitations and proper classification of costs;
  - iv. provide the proper allocation of costs by adopting consistently applied methods that reflect a reasonable relationship for cost benefit; and,
  - v. demonstrate compliance with insurance, procurement, property management and other requirements referenced in the grant agreement.
  
- b) the grant recipients program operations:

Equal Opportunity Employer/Program  
Auxiliary aids and services are available upon request to individuals with disabilities

- i. support activities to assure program quality and performance goals are achieved;
- ii. demonstrate alignment with the program design component of the Request for Grant Applications, and/or requirements outlined in legislation;
- iii. align with the policies, guidance and directions issued to support program performance; and,
- iv. reflect appropriate program practices and procedures including participant eligibility, assessment, planning, placement and other agreed upon activities and outcomes defined in the negotiated grant award.

### 3. Policy

Monitoring of grant awards issued through DETS will be conducted on an annual basis. Monitoring will be completed by the Alaska Workforce Investment Board (AWIB), or designee. DETS will assist and support the AWIB, or designee, in carrying out monitoring activities. DETS will annually assess whether an on-site or desk monitor will be conducted and provide recommendations to the AWIB. At the AWIB's discretion, on-site monitoring may be waived; or, supplementary monitoring may be conducted in circumstances where it is determined additional monitoring is warranted.

To the extent possible and practical, monitoring will be:

- a) coordinated to complete a single, on-site monitor of the grant recipient when a grant recipient receives more than one award issued by DETS in a fiscal year;
- b) conducted to ensure on-site monitor disruption and time requirements placed upon the grant recipient's organization and staff are minimized;
- c) consistent by utilizing a financial and program monitoring guide; and
- d) timely, with a formal, written monitor report issued within 45 days of the on-site or desk monitor exit interview.

DETS will provide technical assistance to grant recipients and sub-recipients to ensure grant awards and federal formula funded programs are administered in compliance with the programmatic and financial requirements, laws, regulations, and terms and conditions of the award.

### 4. Definitions

- a) **Desk Monitoring** is the review of grant related activities and documents by monitoring staff at the monitoring staff's office.
- b) **Exit Interview/Conference** is a meeting between monitoring staff and grant recipient staff following an on-site or desk monitor where monitoring staff provides preliminary information regarding the program performance, any concerns, findings or questioned costs; and the approximate time line for the draft monitoring report to be completed.

- c) **Findings of Non-Compliance** are conditions or activities that are a substantial or material violation of the statutory, regulatory, or policy requirements, or grant terms and conditions and require formal corrective action by the grant recipient.
- d) **Grant** is all of the documents included in the contractual agreement between DETS and a grantee and includes Reimbursable Services Agreements (RSA) with other state agencies where funds are provided for services to the public.
- e) **Grantee or Grant Recipient** is the organization named in a grant agreement or RSA.
- f) **Monitoring** is a systematic review of grant-related activities conducted by monitoring staff on a routine or periodic basis.
- g) **On-site Monitoring** is the review of grant-related activities at a grant recipient's place of business.
- h) **Questioned Costs** are expenditures charged to an award that are violations of the requirements of the grant agreement or funding program.
- i) **Required Actions** are specific measures, which a grant recipient must complete to resolve findings of non-compliance or questioned costs identified through the monitoring process.
- j) **Recommendations** are suggested measures that the grant recipient may want to undertake in response to administrative or program concerns identified through the monitoring process.