Supportive Services for Veteran Families (SSVF)

Compliance and Fiscal Oversight for New Fiscal and Administrative Staff

CLICK HERE to access the recording

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Webinar will last for **90** minutes

Slides & handouts are in the "handout" section

Recording, Handouts & Slides will be sent via email

Submit questions in the question box or any time at ssvf@va.gov

- **Jeffrey Houser**, Compliance Officer
- **Rico Aiello**, Project Coordinator
- **Carolyn Head**, Projector Coordinator (Finance)

What is your role in the SSVF program for your organization?

1. Intake, Housing, Employment Specialist/Coordinator
2. Case Manager Staff/Lead
3. Program Manager
4. Accounting/Fiscal Staff/Chief Financial Officer
5. Director/Executive Director//Chief Executive Officer/Executive Staff
6. Compliance Staff/Management

Hey- I'm new what should I concentrate on?

- Focus on education and training for new fiscal/ administrative staff who are new to SSVF or who started during COVID/Stafford Act.

- Stafford Act vs Normal SSVF.   What's the difference?

- All these new initiatives and funding buckets/ budgets?   How does this all fit together?

- Future Planning. What should I be thinking about?

- ## Legal Authorization and Final Rule
  - o Foundation of Program, Concepts, Regulatory and Statutory rules that SSVF Program Office has no flexibility on further defining.

- ## NOFA (Notice of Funding Availability)
  - o Defines grant year goals, objectives.

- ## SSVF Program Guide
  - o Living Document that Updates annually
  - o Further defining the Final Rule
  - o Clarification or Examples of key program areas
  - o Guidance for Operations
  - o Useful tools, forms

- ## OMB Super Circular

  – OMB Circulars and Bulletins are major tools used by the Executive Office of the President to exercise managerial and policy direction over Federal agencies. Circulars and Bulletins generally promote government effectiveness by providing uniform guidance to agencies. They provide policy guidance or processes over a broad range of subjects, ranging from detailed instructions on preparing agency budget requests to principles for determining allowable research costs at universities.

Where do I fit in? Responsible for part of program, all of program or just looking in from afar?

- Checks and Balances
  - Fiscal operations now, pre-covid, post covid
- Fraud Waste and Abuse
  - Are there vulnerabilities, review systems and internal controls.
- Milestones, Independent Audits and other important things.

- Conducted by the Office of Business Oversight.

- Higher level review based on risk factors, or other indicators during performance of grant cycle.

- Ensures compliance with SSVF Regulations, NOFAs, and grant agreements.

- Verifies Veterans are eligible, being served appropriately, and connected to services based on individual needs.

- Identify strong practices to be shared across programs.

- Allows VA to understand needs of grantees and where additional training may be needed.

- Fiscal staff should be knowledgeable on all aspects of the grant cycle.
  - Application
  - Grant Operations
  - Quarterly reports and other SSVF actions
- HHS-PMS
  - Spending, Sweeps
  - Disaster Planning, Funding increases/decreases, monitoring, Guidance for SSVF in weekly blast or other actions.

- ## Prevention
  - o Internal Controls, Risk Mitigation

- ## Detection
  - o Red Flags

- ## Conflict of Interest
  - o Friends, Relatives, Relationships that have potential to be exploited

- ## Integrity, Ethics
  - o Culture of an Organization, Doing the Right Thing

- ## What to report, when to report it, how to report it.
  - o Read and understand your Grant Agreement to ensure you know the rules; Agency Guidance; CFR's; Mandatory Disclosure, etc.
  - o Identify any potential conflicts of interest issues and disclose them to the appropriate officials for specific guidance and advice. Ensure everyone involved in the grant process understands the conflict-of-interest prohibitions.
  - o Implement specific fraud prevention strategies including educating others – the more people are aware the more they can help prevent problems or detect them as early as possible.
  - o Concerns report it to SSVF Program Office or VA OIG Hotline. https://www.va.gov/oig/hotline/

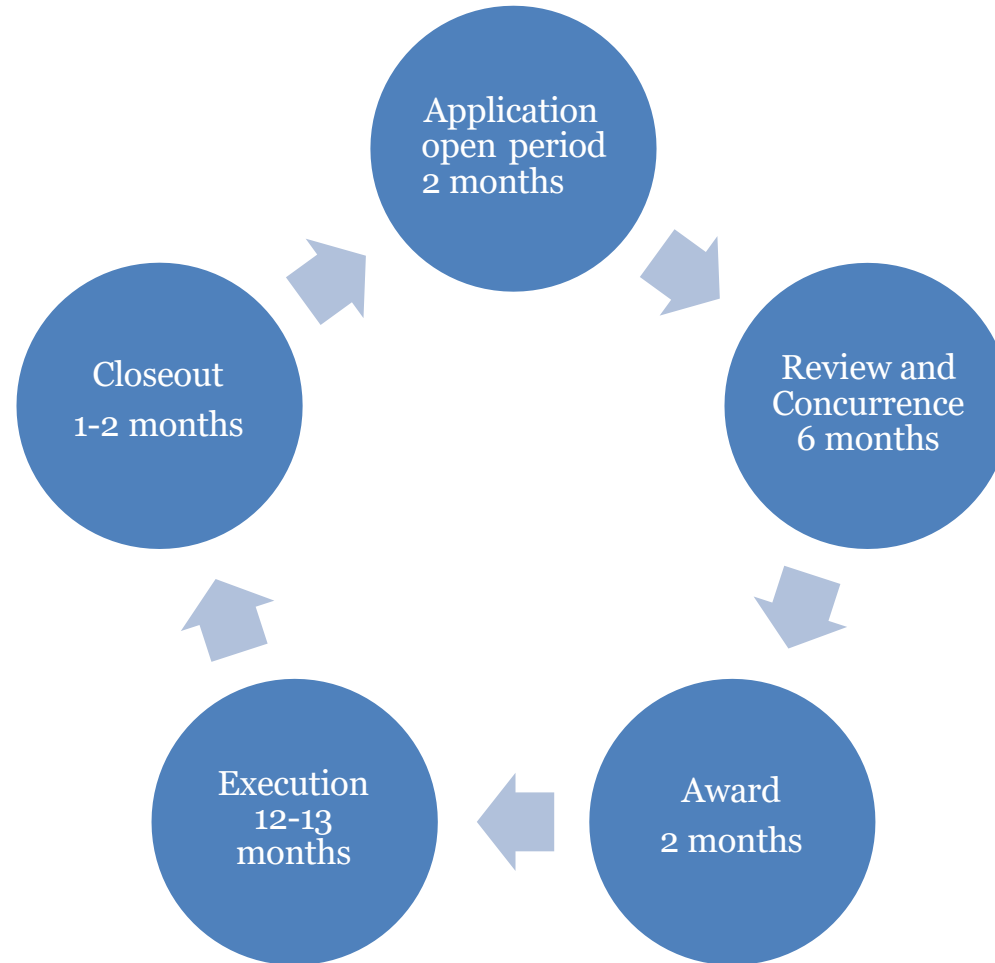# Financial Processes: Reporting Review and Operational Considerations

- Topics covered in this session include:
  - Overview of typical grant cycle timeline
    - CARES funding effect on grant cycle
  - Review of budget submissions
  - The HHS Payment Management System
  - Review of End of Year Closeout Process
  - Operational Considerations for Agency Staff

- Typical twelve-month grant cycle is really a two-year process:

Application open period 2 months

Review and Concurrence 6 months

Award 2 months

Execution 12-13 months

Closeout 1-2 months

- Within the usual 12-month grant cycle there are important milestones to consider:

  – Drawdown rates: Actual drawdown vs. point in time grant status

  – Quarterly drawdown rates that MAY be subject to mandatory returns

  - Q1 =/> 15% < 35%
  - Q2 =/> 40% < 60%
  - Q3 =/> 65% < 80%
  - End of Q4- 100% Expended

  – Timing of drawdowns to allow system to process fully prior to a stated SSVF deadline

  - Quarterly reviews for mandatory draw downs
  - Fully drawing down and completion of FFR prior to closeout due date

	1Q	2Q	3Q	4Q
FY 21	FY 20 awards/CARES	CARES	CARES	CARES/FY 21 awards
FY 22	FY 21 awards	FY 21 awards	FY 21 awards	FY 21/22 & ARP awards
FY 23	FY 22/ARP awards	FY 22/ARP awards	FY 23 awards	FY 23 awards

* This is a hypothetical projection that assumes consistent appropriation levels.
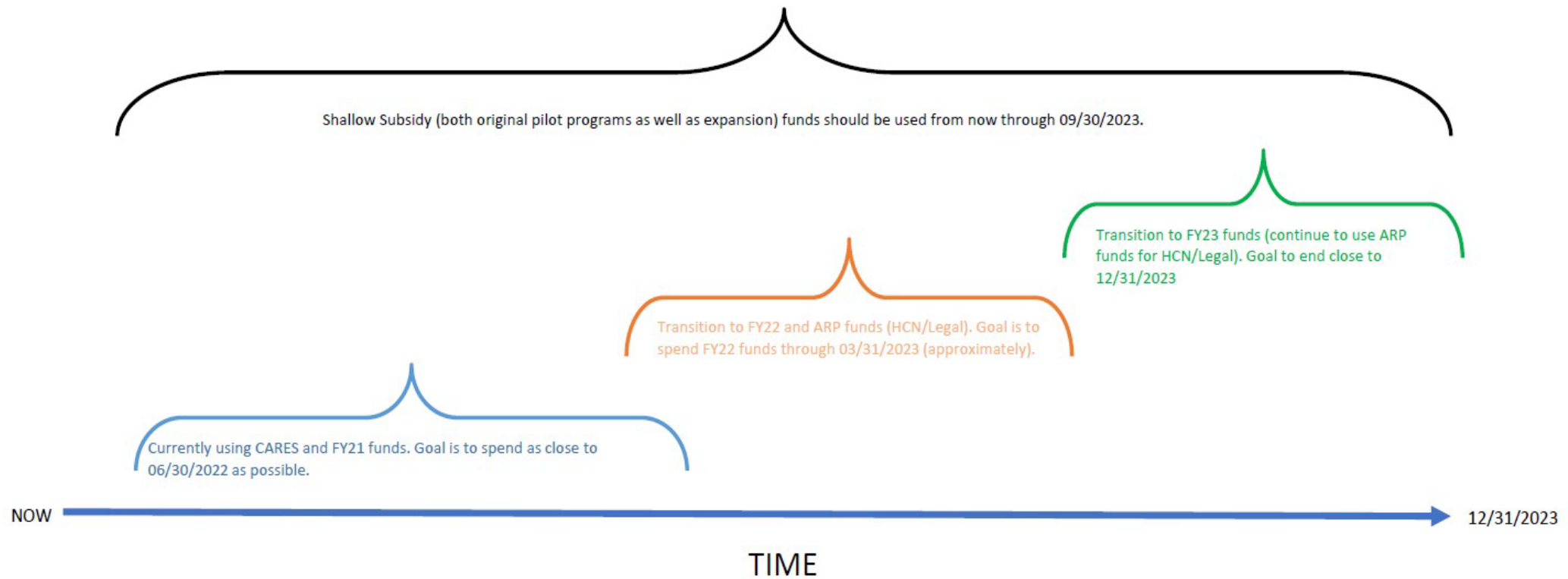
- CARES 2.0/CARES 3.0/FY21 End 6/30/22

- FY22 and ARP (supplemental funding for Health Care Navigation and Legal Services)
  - ➢ 07/01/2022 – 03/31/2023 (9 month budget cycle)

- FY23
  - ➢ 04/01/23-12/31/23 (9 month budget cycle)

- FY24
  - ➢ 01/01/24-09/30/24 (9 month budget cycle)

Shallow Subsidy (both original pilot programs as well as expansion) funds should be used from now through 09/30/2023.

Transition to FY23 funds (continue to use ARP funds for HCN/Legal). Goal to end close to 12/31/2023

Transition to FY22 and ARP funds (HCN/Legal). Goal is to spend FY22 funds through 03/31/2023 (approximately).

Currently using CARES and FY21 funds. Goal is to spend as close to 06/30/2022 as possible.

NOW   12/31/2023

TIME

- Budgets are submitted with application submission as well as when awarded or modified

VA's Supportive Services for Veteran Families Program

Exhibit I: Grantee Budget – SSVF Grant CARES Funds Budget

NOTE: Enter information into yellow cells only. All other cells are protected and should not be modified. Please sub Program Office; DO NOT copy and paste this spreadsheet into a new Excel workbook.

Proposed Funding Information:	CARES FUNDING	
Name of Organization:		
FY2020 Grant ID:		
Total Grant Funds Requested:	$0.00	
Fiscal Year:	FY 2020 CA	

Program Expenses		% of Total SSVF Grant	SSVF Grant Funds Total Amount
I. Provision and Coordination of Supportive Services [Minimum of 90% of Total SSVF Grant Amount]			

1. Personnel/Labor Title and Organization	# FTE	% FTE	Base Annual		
				#DIV/0!	$ –
				#DIV/0!	$ –
				#DIV/0!	$ –
				#DIV/0!	$ –
				#DIV/0!	$ –
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				#DIV/0!	$ –

List all administrative expenses (Column B) and the 3ʳᵈ and 4ᵗʰ quarterly costs associated with each expense (Columns J and

| SSVF Budget Instructions | Exhibit I SSVF CARES Budget | Exhibit II Budget Narrative |

- Budgets are reviewed and approved or sent back with revisions required.

- All submissions, reviews and revisions are done via grant management system UDPaaS.

- Common issues that require revision:
  - Unallowable line items (i.e. indirect rate for Admin)
  - Lack of narrative
  - Admin above 10%; lack of detailed breakout of expenses
  - Budgeted amount not equal to award amount

- https://pms.psc.gov/

Drawdowns Must be Made from the Appropriate Account in PMS:

– CARES 2.0   20zz-zz-zzz-**C2**

– CARES 3.0   20zz-zz-zzz-**C3**

– FY21   20zz-zz-zzz-**21**

When CARES/FY21 is drawn down to zero, if awarded, FY22/ARP will be Activated:

– FY22   20zz-zz-zzz-**22**

– ARP (HCN & Legal)   20zz-zz-zzz-**HL**

Active:

– Shallow Subsidy   20zz-zz-zzz**SS**

If awarded:

– Supplemental NOFA   20zz-zz-zzz-**LT**

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- Training available from PMS homepage on how to complete some of the basic operations within the system.

- PMS is not administered by the SSVF program office. We have enhanced capabilities, but we are not administrators.

- PMS processing is not instantaneous, actions usually take a day or two to fully process in PMS. Plan accordingly.

- End of Year Activity in UDPaaS

  - Due 45 days after end date
    - Final drawdown
    - Federal Financial Report (FFR) needs to be completed in HHS Payment Management System (PMS) **AFTER** final drawdown, but **PRIOR** to submission of Closeout Activity.
      - Multiple FFR submissions; one for each account in PMS
    - The Financial Expenditure Report (FER) excel template provided by SSVF Program Office.
    - Activity in UDPaaS (i.e. certification questions, etc.)

- The word accounting comes from the word "accountability".

- Regular reviews of spending

- Must include all staff from Case Managers to CFO

- Cannot emphasize enough the importance of staying on top of financials to ensure the administration of program is as efficient as possible

Financial and Operational Fitness Audits (FOFA)

What is a FOFA?

- Review and assessment of the agency's activities to obtain reasonable assurance of the agency's compliance with SSVF Regulations, NOFOs, and grant agreements:

    - Assessment of Financial Management and Oversight
        - Fiscal compliance with 2 CFR 200 Financial Management & Cost Principles
        - SSVF Program Guidance – Fiscal Administration

    - Assessment of Operational Activities
        - Service & Delivery

The Three Phases of your FOFA Audit

1 **Pre-site Visit**

2 **Site Visit**

3 **Post-site Visit**

Audit Notification

Field Work Preparation

Field Work (Testing and Evaluation)

Site Visit Preparation

Site Visit Timeline

Site Visit Wrap-up
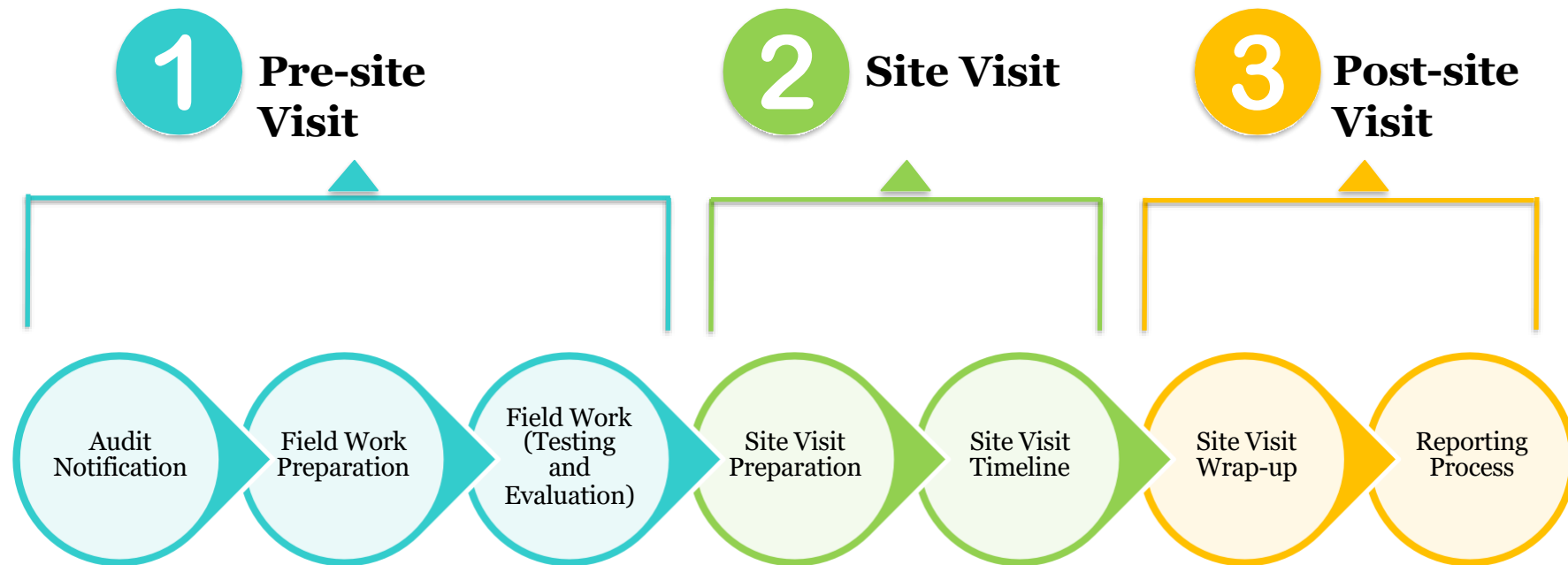
Reporting Process

To adequately prepare for an audit, don't wait until you have been "Officially" notified, begin preparing now and treat the process as a **year-long event**.

    a. Ensure your operational environment and fiscal activities reflect the general expectations as outlined within the Grant Agreement, Program Guide, and applicable Regulatory Guidance

    b. Ensure **open and unrestricted communication** between the Operational and Fiscal Teams

    c. Ensure a developed Quality Assurance/Quality Control (QA/QC) program has been established and working

    d. Ensure Management Oversight and Support

Keys to a Successful Review

- Have an open mind

- Understand the FOFA review program

- Be responsive to auditor requests

- Ensure all required staff/subcontractors will be available during the on-site visit

- Be willing to engage the review team

SSVF FOFA Toolkit

Toolkit Overview:

- SSVF FOFA Checklist - Steps and actions to prepare for the pre-site visit, onsite visit, post-site visit, reporting process, and subsequent actions to complete a FOFA

- SSVF FOFA Self-Assessment & Preparation Tool

- SSVF FOFA Case File Review – Manager's Tool - Provides a guide for managers/staff to assess each case file for the required elements and identify any missing documents

- SSVF FOFA Subcontractor Monitoring Tool – Highlights critical elements required for successful administration and monitoring of subcontractor

- FOFA Overview
  - https://youtu.be/0oedeOX4bd0

What are common issues and findings?

Condition	Unallowed-Disallowed Costs	Inadequate Documentation	Procedural / Policy Interpretation	Improper Allocation	Exceeds Cap/Limit	Unreasonable	Total
Administrative Expenditures	$1,365,765	$128,237	-	$29,056	$61,293	$19,420	$1,603,771
Eligibility	$6,361	$580,017	$395,785	-	-	-	$982,163
General Expenditures	$264,770	$407,678	-	$264,426	-	$5,197	$942,071
Payroll Expenditures	$12,210	$241,565	-	$339,537	-	-	$593,312
Temporary Financial Assistance (TFA)	$21,888	$303,673	-	-	$12,465	$1,420	$339,446
Financial Management	-	-	-	$171,320	-	-	$171,320
Totals	**$1,670,994**	**$ 1,661,170**	**$ 395,785**	**$ 804,339**	**$ 73,758**	**$ 26,037**	**$4,632,083**

Common Findings

- Missing documentation

- Unallowable purchases (water, food, food related condiments, advertising, SWAG)

- Improper charge for depreciation (unallowable if federal funds were used to purchase items)

- Improper support for administrative costs (time not tracked, no methodology for allocations, not providing allocation basis)

- Improper allocation of employee time

- Making end of year purchases that have no benefit to the award

Program Guide

- Understanding
- Annual review of updates
- Ensure all references to CFR (law) are identified and actions have been designed to ensure compliance

Internal Controls

- Ensure supervisors and staff understand compliance requirements and how internal controls support those efforts
- Ensure supervisors and staff understand what internal controls are and ensure a sufficient "audit trail" to support compliance

Other
- Agency Policies & Procedures reflect the current guidance
- Develop a solid relationship with the Finance and Accounting team to understand how they support the SSVF mission
- Review previous FOFA report

- Utilizing the finance and accounting system as primary tracking tool, (expenses, participants, TFA …etc)

- Ensure all close out/end of year responsibilities are assigned to applicable staff (Federal Financial Reporting, Single Audits, etc.)

- Ensure a sound Quality Assurance/Quality Control process is in place

- Ensure supervisors and staff complete annual training requirements

- Ensure consistent application and development of case file system (hard or soft copy) to ensure all actions and methodologies are the same across multiple entities

- Ensure subcontractor management and oversight follow the same requirements

- Ensure there is an **Audit Trail**

Auditor Notes and General Observations

- Ensure consistent data entry into the General Ledger (GL)

- If you use a separate tool to manage your program and track data, ensure monthly reconcilement to the GL

- If you are not using the specific forms provided in the Program Guide, ensure the key elements are included in your adopted version

- Case Notes are KEY

SSVF Compliance Webpage

- [Compliance (va.gov)](#)

SSVF Education Webpage

- [SSVF Education (va.gov)](#)

Legal Authorization- Final Rule
- https://www.va.gov/HOMELESS/ssvf/docs/SSVF_Final_Rule.pdf

NOFO
https://www.va.gov/homeless/ssvf **and** https://www.grants.gov/web/grants/home.html

Program Guide
- https://www.va.gov/homeless/ssvf/index.asp

OMB Super Circular
- https://www.govinfo.gov/app/details/CFR-2014-title2-vol1/CFR-2014-title2-vol1-part200/summary
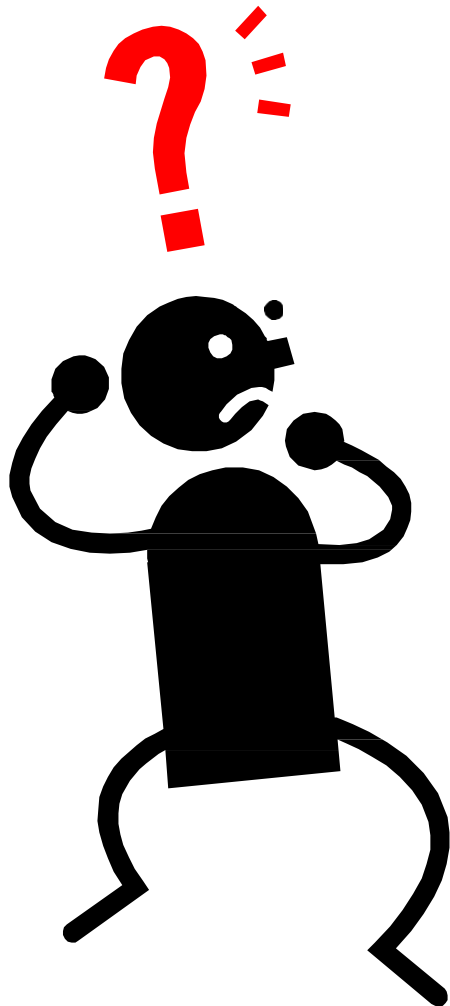- https://www.cottoncpa.com/wp-content/uploads/2016/07/OMB-Super-Circular-Doc.pdf

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