

Supportive Services for Veteran Families (SSVF) National Grantee Webinar

Monitoring Transition from UMP to Financial and Operational Fitness Audits (FOFA)

By

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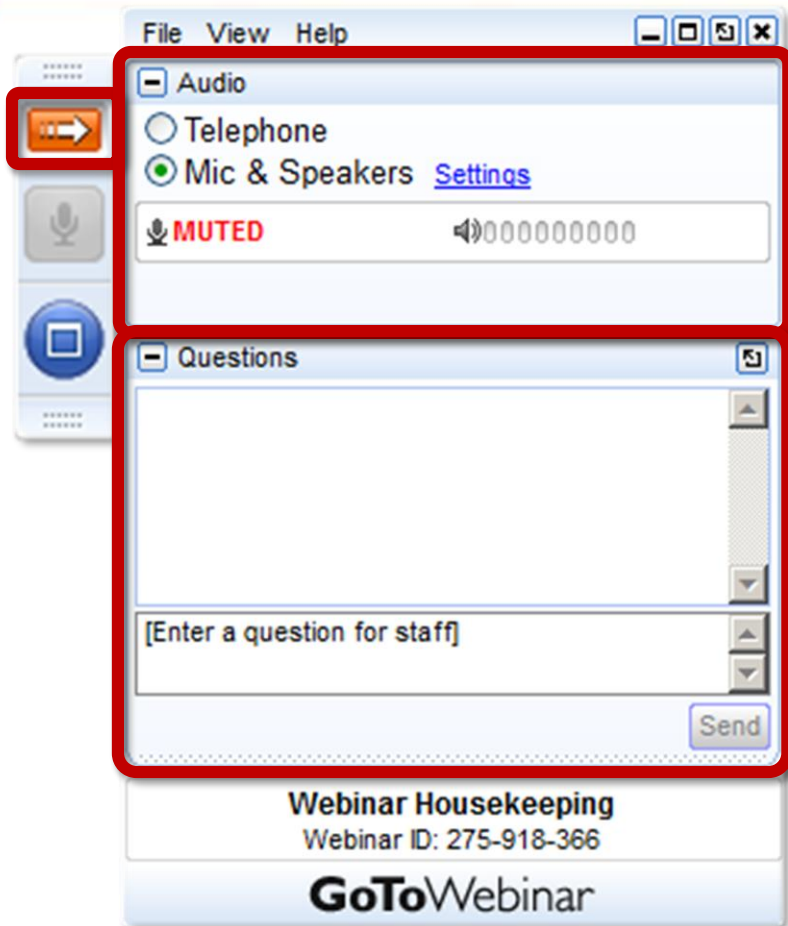
October 11, 2018

[Link to Audio Recording](#)

Webinar Format

- Webinar will last approximately 90 minutes
- Participants' phone connections are “muted” due to the high number of callers
 - **Questions can be submitted during the webinar using the Q&A function**
- Questions can also be submitted anytime to SSVF@va.gov

Questions



Your Questions

Submit questions and comments via the Questions panel

Monitoring transition to FOFA

- Beginning October 1, 2018 SSVF will utilize the Office of Internal Controls (OIC) for monitoring visits.
- Rebranding the Monitoring Process from UMP (Uniformed Monitoring Process) to FOFA (Financial and Operational Fitness Audits).

Why

- Higher skill set of reviewers to provide consistent review, guidance.
- Ability to self certify and complete some materials prior to Onsite review
- Less Administrative burden.

Impact of the transition to FOFA

Enhancing the current review process will:

- Intensify monitoring visits by moving to 2 year review cycle.
- Enhance the SSVF review process by expanding fiscal oversight.
- Improved efficiency and consistency with both audits and the monitoring process falling under OIC.
- Consistent guidance on findings and recommended areas of improvement.
- Introduce a Recommendation Implementation Verification follow-up .
- Address grantees internal systems to detect and prevent fraud, waste and abuse.

Benefits to the transition to FOFA

- SSVF and grantee concerns with the current review program that included:
 - Review work was too focused on operational vs. financial evaluation
 - Current visit schedule did not allow for an adequate review of a Grantee
 - Reviews were not getting at the root cause of identified problems
 - Lack of evaluation in Internal Control and FWA process areas
 - SSVF was responsible for management of all corrective actions and often times grantees were unsure of what was needed/expected.
 - Repeat finding occurred as grantees did not implement stated corrective actions.





SSVF FINANCIAL AND OPERATIONAL FITNESS AUDITS (FOFA)

Presentation for:

SSVF Grantee National Webinar

Presented by: Allen Ackles, OBO Senior Auditor

October 11, 2018



Agenda

- Grants Service Division
- Purpose of the Financial and Operational Fitness Audits (FOFA)
- Comparison of Uniform Monitoring Package (UMP) to FOFA
 - Operational vs. Fiscal
 - Timeline
 - Reporting and Follow-up
- Overview of the FOFA Review Process
 - Notification
 - Pre-Site Visit Preparation
 - Site Visit
 - Post Site Visit
 - Reporting
 - Follow-Up
 - Close-Out
 - Process Timeline



SSVF Review Program FY 2017

- Grants Service Division (GSD)
 - GSD is a division within the Department of Veteran Affairs', Office of Management, Office of Business Oversight
 - GSD signed a Service Level Agreement (SLA) with SSVF to conduct Grantee reviews to provide assurance to VA leadership that supportive service grants are being used as they were intended and administered in compliance with current legislation
 - In FY 2018 GSD conducted 27 SSVF reviews
 - In FY 2019 GSD assumed responsibility of the Uniform Monitoring Program
 - FOFA program was developed to meet new review requirements
 - GSD will conduct approximately 125 FOFA reviews annually
 - FOFA program will adjust the previous UMP review cycle of 100 percent each year to 100 percent every two years



Purpose of the FOFA Review

- Ensure compliance with SSVF Regulatory Guidance (38 CFR Part 62), SSVF Program Guide, Notice of Funding Availability (NOFA), Grant Agreements and other Uniform Grant Guidance (2 CFR Part 200)
- Provide the SSVF Program Office with an assessment of the Grantees ability to meet the needs of Homeless Veterans
- Provide Grantee Management/Board of Directors with an external assessment of organizational practices and procedures
- Discuss Challenges and Opportunities (Best Practices, Program/Process Standardization and Common Approaches)



Comparison of UMP to FOFA

- UMP –
 - Single Fiscal Year of Data Reviewed
 - Focused on Operational Activities with limited Fiscal/Accounting review
 - Review Work - Case File Review Work (10)
 - More Interviews (Individual and Group)
 - One or Two day site visits
 - Reporting Format - UMP Workbook Summary Report – Pass/MIP/CAP
 - Follow-up – Subsequent Review Cycle (Repeat Findings)
- FOFA
 - Two Fiscal Years of Data Reviewed
 - Increase in Fiscal/Accounting to include Operational Activities
 - Increased Review Work - Case File (20), Expense (30) and Payroll (TBD)
 - Less Interviews (Individuals Only as Necessary)
 - Two or Three day Site Visit
 - Reporting Format – Report: Condition, Criteria, Cause, Effect, and Recommendation
 - Follow-up – Corrective Action Plan (CAP), Supporting Documents, Verification, Close-Out



FOFA Process - Notification

- FOFA Notification
 - Initial contact with POC listed in GIFTS
 - Engagement Letter (EL)
 - Scope/Period of Review (FY 2017 and FY 2018)
 - Due Date for Preliminary Document Request
 - Site Visit Dates
 - POC for Engagement Team Lead
 - Preliminary Document Request (PDR)
 - SSVF Veteran Information
 - Financial Documentation
 - SSVF Agreements and Other Related Records
 - Policies and Procedures



FOFA Process – Pre-Site Visit

- Pre-Site Visit Preparation
 - Conduct FOFA Review Kick-Off/Introductory Call two weeks after EL receipt
 - Agenda and Overview of Review Process
 - Timeline and Critical Target Dates
 - Grantee will provide PDR via GIFTS upload three weeks after EL receipt
 - Review Team will:
 - Conduct a preliminary review and analysis of provided documents
 - Develop sample selections – Expenses, Payroll, and Admin
 - Identify Internal Control Questionnaire (ICQ) recipients
 - Preliminary review of Policies and Procedures
 - Request additional items or submit clarification questions (as necessary)
 - Within three weeks of receipt of PDR, Review Team will:
 - Provide sample selections to Grantee
 - Issue ICQ's to selected staff members



FOFA Process - Pre-Site Visit Cont.

- Pre-Site Visit Preparation Cont.
 - Grantee:
 - Consolidate Sample Support Documentation (scanned) and upload into GIFTS under “Requirement #2” within three weeks of receiving the sample list request
 - Selected staff will respond and return ICQ’s within three weeks of notification
 - Review Team:
 - Review and analyze Policies and Procedures
 - Review and test Expense, Payroll, Administrative supporting documents
 - Review A-133 Single Audit Report (follow-up as necessary)
 - Review SF-425 Federal Financial Reporting
 - Review Temporary Financial Assistance detail
 - Review ICQ responses with follow-up actions
 - Review Budget to Actual
 - Provide case file sample selection (week prior to site visit)
 - Grantee will consolidate selected files and have them ready for review



FOFA Process - Site Visit

- Site Visit –
 - Day One
 - 8:30* Entrance Conference (Program Management & Key Staff)
 - 9:30 Case file reviews
 - 4:30 Case files exception review with Program Manager/Delegate
 - Day Two
 - 8:30 Case file reviews
 - 1:00 Individual interviews (as necessary)
 - 1:00 Discussion of Expense/Payroll/Admin exceptions (as necessary)
 - 4:30 Exit meeting (Two Day review) or case files exception review
 - Day Three
 - 8:30 Case file reviews
 - 1:00 Review and discussion of Expense/Payroll/Admin exceptions
 - 4:30 Exit meeting

* Depending on Grantee office hours



FOFA Process - Post Site Visit and Reporting

- Post Site Visit
 - Wednesday (COB) of the following week – last day to accept supporting documentation
 - Review Team will begin drafting report
- Reporting
 - 30 Days after visit report will be finalized
 - Program Office will Issue:
 - Report
 - Corrective Action Plan Response Form (CAPRF)
 - Due Date for CAPRF Response (30 days)



FOFA Process – Follow-up and Close-Out

- Follow-up
 - Grantee responds to CAPRF (30 day due date)
 - Concur/Non-concur with Recommendations
 - Concur – accept and implement recommendations
 - Non-concur – Provide justification for non-concurrence and proposed Corrective Action to address finding
 - Provide a Corrective Action Plan based on recommendations
 - Provide Estimated Completion Dates (ECD)
 - Provide supporting documentation (if corrective action has been taken)
- Review Team will request supporting documents/evidence near ECD for review and analysis to ensure Corrective Action has appropriately addressed the findings noted
- Close-Out – Once all Corrective Actions have been verified, a Close-Out Memo will be issued to the Grantee closing out the review



Corrective Action Plan Response Form (CAPRF)

Appendix A: Corrective Action Plan Response Form (CAPRF)

Homeless Veteran Program Review
 Grantee – SSVF
 Award 12-XX-123

Date Issued: February 15, 2019
 Response Deadline: **March 15, 2018**

Indicate your *Concurrence* (Y or N) for each recommendation. If you agree with the recommendation, enter an *Action Plan* in the *Response* block and provide a *Planned Completion Date* for resolving the identified issue. If you disagree with the recommendation, provide *Justification* for your disagreement in the *Response* block.

- **Determining the Planned Completion Date:** The *Planned Completion Date* is when all steps or processes listed in the recommendation action plan will be completed. *Planned Completion Dates* should be realistic and reasonable. Please consider current workload; staffing; holidays; major events; internal processes, such as drafting documents and approvals; external processes, such as routing documents and approvals; funding; contracting; and other variables.
- Extensions on *Planned Completion Dates* must be requested in writing and may require notification and approval by the facility, network, or area office director or other levels of VA management as appropriate. Extensions are subject to final approval by OIC management.
- If the *Planned Completion Date* for a given recommendation precedes submission of this form, documentation supporting completion of the *Action Plan* for that recommendation must be submitted with this form.
- If you have questions in determining the *Planned Completion Date*, please contact the GRS point of contact designated on the transmittal memo accompanying this report.

Please return this completed form to Allen Ackles at allen.ackles@va.gov and VAOICSSVFGRANTS@va.gov.

Recommendation	Facility Point of Contact	Name		
		Phone		
Recommendation	Concurrence (Y or N)	Response (Action Plan or Justification)	Supporting Documents (Y or N/A)	Planned Completion Date
Ineligible TFA Expenditures The SSVF Program Manager should implement the following corrective actions:				
1. Develop and implement...	Y	Will develop...	N/A	4/30/19
2. Provide training to staff...	Y	Will provide training...	N/A	4/30/19
Incomplete Certification and/or Recertification of Eligibility Forms The SSVF Program Manager should implement the following corrective actions:				
3. Develop...	N	Initial recommendation will not work. However, management has developed additional controls to ensure...	N/A	4/30/19
Ineligible Administrative Expense The SSVF Program Manager should implement the following corrective actions:				
4. Ensure ...	Y	Management has implemented...	Y	2/28/19
5. Enhance internal controls....	Y	Management has...	N/A	4/30/19

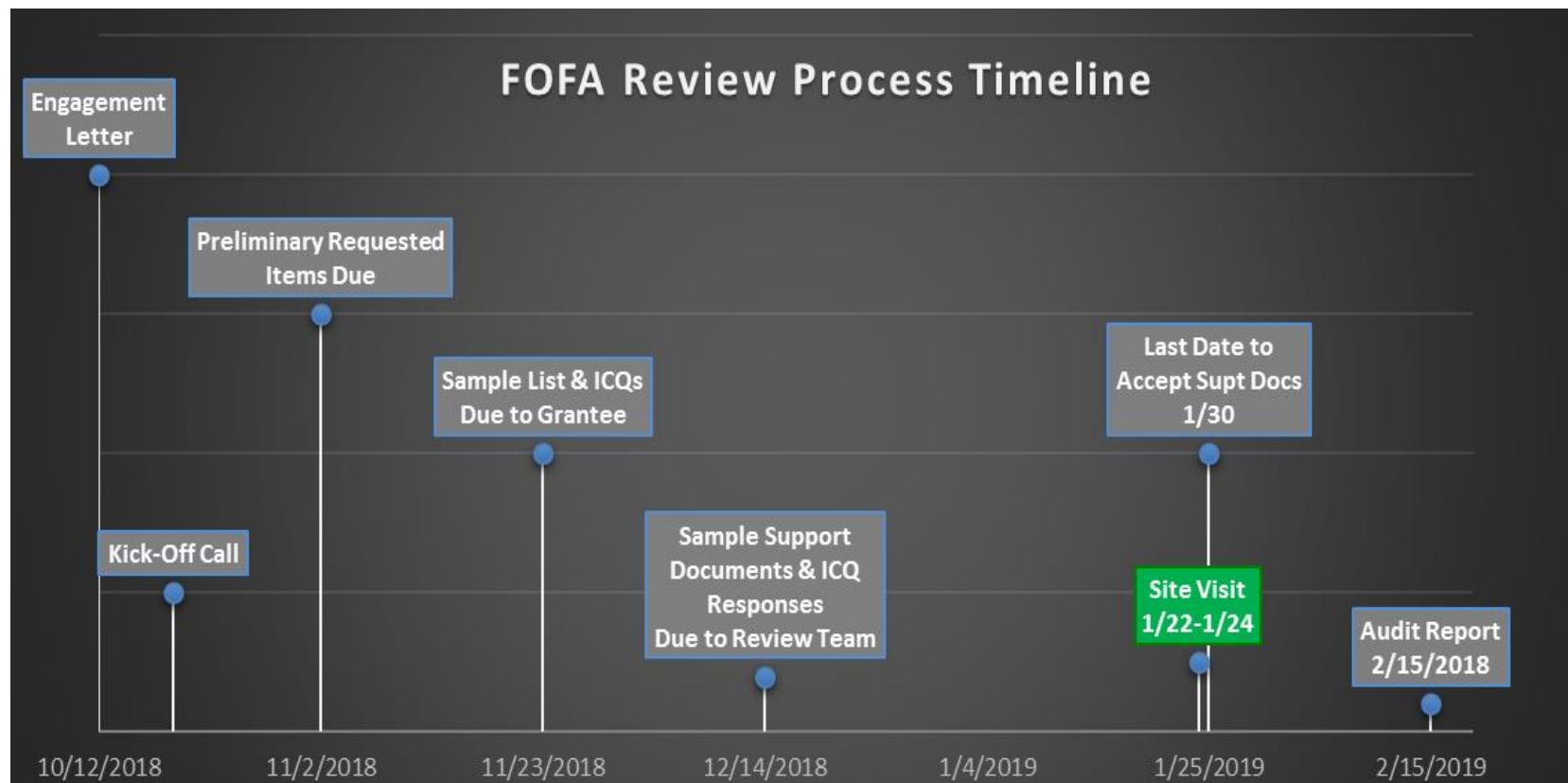


FOFA Timeline Example

- Grantee Scheduled for Site Visit **1/22/2018**
 - Engagement Letter received 10/12/2018
 - Kick-Off Call 10/19/2018
 - Grantee gathers initial documents request (due) 11/02/2018
 - Review Team will develop sample and ICQ List 11/23/2018
 - Grantee gathers additional supporting documents 12/14/2018
 - Review Team conducts testing and evaluation 12/14/18 – 1/19/2019
 - Review team will coordinate: 1/17/2019
 - Site visit logistics
 - Provide Case File sample
 - Site visit 1/22/2019 – 1/25/2019
 - Post site visit – Outstanding items due by COB 1/30/2019
 - Reporting Process Starts 2/1/19
 - Target Date for Audit Report 2/15/19



FOFA Timeline Example





FOFA Schedule FY19 – 1st and 2nd Quarter

FY 2019 Quarter	Grantee	Location
1	Center For Veterans Issues Limited	Milwaukee, WI
1	Transition Projects, Inc.	Portland, OR
1	Catholic Charities Diocese of Fort Worth, Inc.	Fort Worth, TX
2	Homeless Services Center	Watsonvilles, CA
2	Lubbock Mental Health and Retardation Center (dba Starcare)	Lubbock, TX
2	Primary Health Care, Inc.	Urbandale, IA
2	UMOM New Day Centers	Phoenix, AZ
2	Operation Renewed Hope	Alexandria, VA
2	Carrillo Counseling Services, Inc. (DBA New Beginnings)	Santa Barbara, CA
2	Vietnam Veterans of San Diego	San Diego, CA
2	United Way of Central Alabama	Birmingham, Al
2	Mental Health America of Los Angeles	Long Beach, CA
2	WestCare California, Inc.	Fresno, CA
2	People Assisting the Homeless (PATH)	Los Angeles, CA
2	Volunteers of America of Los Angeles, Inc.	Los Angeles, CA
2	Homeless Veterans Fellowship	Ogden, UT
2	Central Oregon Veteran's Outreach	Bend, OR
2	Catholic Charities of the Diocese of Allentown	Allentown, PA
2	Catholic Family and Community Service	Paterson, NJ



FOFA Overview

- October 11, 2018: National FOFA webinar
- October 11, 2018: Notification of grantees scheduled for initial FY 19 FOFA
- November 2018: SSVF Compliance presentation with all 1stQ and 2ndQ FOFA grantees
- October 23-25, 2018: first FOFA (Center for Veteran Issues Ltd. – Milwaukee, WI)
- January - February 2019: presentation at SSVF Regional Meeting
- March 2019: presentation at SSVF Program Manager Academy
- May 2019: National FOFA webinar on early results, data and best practices



FOFA Overview

Questions?



Key Points Of Contact

- Grants Service Audit Team:
 - Allen Ackles, Senior Auditor
Allen.ackles@va.gov
 - Christina Singleton, Senior Auditor
Christina.Singleton@va.gov
 - Jeff Brean, Director
Jeffrey.Brean@va.gov
- SSVF Program Office
 - Jeff Houser, Compliance Officer
Jeffrey.Houser@va.gov
 - Rico Aiello, Compliance
Riccardo.Aiello@va.gov



FOFA Overview

Additional questions can be sent to:

SSVF Program Office

Email: ssvf@va.gov

Website:

www.va.gov/HOMELESS/ssvf.asp

A recording of this presentation will be provided to webinar registrants and posted at SSVF.

THANK YOU!