

Programmatic and Financial Compliance as a Team Effort

Session Objectives

1. Ensure participants understand the interrelationship between program and fiscal issues
2. Identify specific areas where communication and clarity of roles are critical
3. Review real life scenarios to increase understanding

Compliance as a Team Effort

- Strengthens the overall success of the program
- Builds a more efficient and effective program
- Enhances cooperation and coordination
- Promotes on-going communication
- Program and Fiscal staff both
 - gain a deeper understanding of the program goals
 - learn to value each other and their roles in the project
 - support and cultivate a common purpose with mutual goals and mutual accountability

Why Communicate?

- Program staff make decisions that have fiscal implications
 - Developing budgets
 - Member living allowances, recruitment, retention, slot conversions, reporting, and timesheets
- Fiscal staff need to understand the program so they know when standard accounting and personnel practices do and do not apply

Budget

Both Program & Fiscal Staff should

- ❑ Assist in developing the AmeriCorps budget by line item
- ❑ Develop the system to track budget versus actual expenses
 - ❑ Review the budget versus actual expenses quarterly, at a minimum, but more frequently may be more effective
- ❑ Determine what line items funds can be reallocated based on periodic reviews
- ❑ Determine how subgrantees or host site budgets are monitored, if applicable
- ❑ Know when New Yorkers Volunteer and CNCS approval is needed for budget changes
 - ❑ NYS Comptroller requires that an amendment be approved for any change to a budget category (line) of 10% or more. Lesser charges can be completed with budget modification

Member Tracking Systems

Both Program & Fiscal Staff should

- Assist in developing a system to track members'
 - W-4 received at the beginning of service [Withholding Allowance Certificate]
 - W-2 provided at close of tax year [Wage & Tax Statement]
 - Living allowance payments
 - Personal Income Taxes
 - Worker's Compensation Insurance or Occupational, Accidental, and Death and Dismemberment coverage
 - Health insurance

Member Tracking Systems

Continued

Both Program & Fiscal Staff should

- Ensure living allowances are not paid on an hourly basis
- Ensure members are not classified as an employee or paid a wage
- Ensure member costs are separately identified from organizational staff salaries & benefits
- Ensure member living allowances cease when member concludes term of service or is released from participation
- Ensure liability insurance coverage is secured for members in on- and off-site projects
- Ensure member files and records are safe and secure

Member Recruitment & Retention

Both Program & Fiscal Staff should know

- When members have started service
- The level of recruitment
- The level of retention
- Know when slot conversions are warranted and have been made
- Recruitment and retention will impact program expenses and cash flow

Slot Conversions & Refills

- Review slots where members have exited without award and determine if
 - the slot can be refilled, or
 - if funds will be unexpended to be reallocated
 - Obtain approvals for reallocation, as needed
- Additional resources may need to be raised if you refill a slot
- Part-time conversion to full-time
 - Account for additional health insurance

Member Enrollment

- Education Award Only program grantees cannot draw down fee unless the member has been enrolled in the AmeriCorps Trust

Member Eligibility

- This is the single most costly finding in OIG audits
- Eligibility documentation is critical and usually collected by program staff
- It is a good internal control for other staff to review files for completeness and to have information in payroll files prior to issuing first living allowance payment

Member Eligibility

- Be at least 17 years of age
- Has provided documentation (and copies of documentation has been placed in applicant file) that the applicant is a lawful citizen, national or permanent resident alien of the United States, **PRIOR TO ENROLLMENT**
- Have a high school diploma or its equivalent or agree to get one before using the education award

Member Timesheets

- Develop a system to check member timesheets for accuracy
- Timesheet hours must be added correctly as well as signed and dated by both the member AND supervisor
- Check with payroll staff they can be a good internal control to eliminate errors and assist with time tracking

Member Living Allowance

- There should be consistency in what the Member contract states and the amount they receive
- Program and payroll staff need to develop a communication system to ensure that only active members receive living allowance
- Program and payroll staff need to discuss issues with AmeriCorps living allowance for example exemption from worker's compensation insurance and that living allowance does not vary based on number of hours

Host Site Tracking Systems

Both Program & Fiscal Staff should

- Develop a system to ensure compliance at the site level for Member contracts, payments, timesheets
- Ensure match is met with allowable funds
- Timely communicate issues
- Track overall obligations to host sites or subgrantees
- Track expenses by line item

Host Sites

- Fiscal staff should serve as a resource for
 - Policies
 - Regulations
 - Documentation
 - Allowable costs
- Program staff should serve as a resource for
 - Member orientation
 - Supervision of the member
 - Reporting and evaluations of members
 - Participation in activities
 - Member meetings

Program Income

Both Program & Fiscal Staff should

- Determine if income is generated from program activities
- Develop a system to track and report program income

Financial Reporting

Both Program & Fiscal Staff should

- Establish procedures so that both program and fiscal staff review and sign-off on all reports before they are submitted

Fixed-Amount Grants - EAPs

Both Program & Fiscal staff should know

- Not required to complete a detailed budget
- Not required to comply with OMB Cost Principles
- Not required to track or report on your expenditures
- Not required to provide match
- “Auditable?” Yes, fixed-amount grants can be audited by CNCS/OIG [member eligibility]
- Grantees pay all program costs over the amount per MSY awarded by New Yorkers Volunteer
- Grantee cannot draw down fee until member is enrolled in the Trust

Best Practice Collaboration Tips

- Develop a written agreement or list of things to do
 - Assign responsibilities and set expectations
 - Assign timelines for completing work
 - Assign timelines for providing reports and data for review
 - Assign timelines to provide feedback
- Schedule periodic meetings of program and fiscal staff
 - Monthly or quarterly
 - Set agenda for each meeting
- Establish joint sign-off on reports
- Review process and revise contracts, forms, and accounts
 - Beginning of each program year
 - Every 3 to 6 months after beginning of year

Why Collaborate?

- Each person can provide a different perspective on the issue
- Each person has different experiences to draw from
- Together, each can use their talent and experience to contribute to the success of the program
- Two minds are better than one!

Activity – Collaboration Ideas

- Given what we just discussed develop a plan of how you and your fiscal staff can work together to resolve or prevent audit findings
 1. Discuss and share your current “real life experiences” with your group
 - a. How do your program and fiscal staff currently work together?
 - b. How often do your program and fiscal staff meet?
 - c. Is there a standing agenda?
 - d. What reports do program and fiscal staff exchange for review?
 2. As a group, develop the an Action Plan that you can go back and implement in your organization
 3. Your group spokesperson will report out
 4. General discussion by all