

Montana Carl D. Perkins Policy and Procedures Manual

Subject: Montana Perkins Funds Distribution and Management
Policy: Perkins Grant Risk Management Performance Reviews
Effective: July 1, 2007
Revised: Not Applicable

Perkins Policy:

Twenty-five percent of grants will be reviewed each year. Grantees will be chosen using a Risk Assessment where available and appropriate.

The Montana State Plan for Career and Technical Education, in accordance with the Carl D. Perkins Career and Technical Education Improvement Act of 2006, requires the state to assure grants are of sufficient size, scope and quality to be effective. Performance reviews are administered to measure the effectiveness of grants. The preferred method for determining which grantees will be reviewed is a risk assessment formula. The formula may vary for each subcategory of grantees. The Risk Management Performance Reviews are designed to conduct a more thorough review for recipients with a higher risk factor.

In addition to reviewing and auditing previous year grants, the Performance Risk Reviews may also offer technical assistance on current year activities and expenditures to identify and resolve problems during the grant year. The goal is to avoid future review findings and reduce Performance Risk Factors for the grantee.

An institution selected for monitoring will be notified at least one month in advance of the Risk Review. This notification will include an agenda and the documents required to be available for the review. If the recipient is a consortium, the Project Manager will be notified as to locations and activities that will be reviewed.

A summary of the following review results will be reported to the grantee within 30 days:

- **Findings:** Violations to the Perkins Law, state, or federal guidance or regulations.
- **Finding Actions Steps Required:** Action steps and completion dates required to bring the finding into compliance.
- **Needs Improvement:** Activities or practices that are not in violation of the law or regulations but may be diminishing effectiveness or performance.
- **Best Practices:** Practices that have resulted in extraordinary effectiveness, efficiency, increases in performance or results.

If a grantee objects to a finding and provides sufficient documentation to refute it, the finding will be removed from the final notice and the summary notice reissued. If the documentation is insufficient, the finding will remain along with the notations and final notations when the action steps have been accomplished. The review file will remain open until documentation of completed action steps is placed in the file.

Secondary Procedures: [OPI Perkins Monitoring Manual](#)

Postsecondary Procedures:

Local Application Risk Assessment Performance Review Scale

Risk Category	1 point criteria	2 point criteria	3 point criteria	4 point criteria
Grant Size	\$50K-\$74,999	\$75K-\$99,999	\$100K - \$149,999	\$150K +
Last Risk Review	last year	2 years ago	3 years ago	4 or more years ago
Manager Longevity	Over 3 years	3 years	1-2 years	< 1 year
Late Previous YR Report(s)	Q1, Q2 or Q3 fiscal reports	Q4 final fiscal report	final grant report	Application
Late File Submissions (see calendar)	summer or fall student &/or term files – 4 weeks after term ends	spring student &/or term files - 10 weeks after semester ends	Perkins Program Table update - 2/28	completer &/or special populations files - 8/5
Plan Revisions	1 revision	2 revisions	3 revisions	
Improvement Plan			1 indicator	2 + indicators
Returned Funds	<\$999	\$1000-\$4999	\$5000-\$9999	\$10,000 +
Missed TA Sessions		1 session		More than 1 session
Missed Budget Deadlines		40% personnel deadline 12/30	1/1 equipment budget deadline	
Other Perkins Grant Awards (Reserve or Leadership)	<=\$4999	\$5000-\$9,999	\$10,000-\$24,999	\$25,000+

Grantees will be notified 30 days prior to the review. Proposed dates may be changed to accommodate schedules. The review notice and agenda will provide the most current topics to be covered. [Click here](#) for a sample notice and agenda.

Strategic Risk Assessment Performance Reviews will automatically be scheduled if

- an indicator is missed 3 years in a row, **or**
- more than 3 indicators are missed in one year, **or**
- as deemed appropriate by local or state staff.

OCHE Accountability Specialist Procedures

Grantees selected will be entered into the Performance Review spreadsheet on the shared OCHE network drive.

Complete the OCHE Risk-Assessment Matrix and choose the grantees by the end of August of each year. Place a PDF of the completed matrix in the appropriate grant year folder under the Perkins Performance Reviews folder.

In the **Perkins IV database**, enter the proposed grants to be reviewed and the review dates and times into the table (**tblg_grant_reviews**). To print the review notices, open the **Perkins IV Grant Only** database. This database contains small and large equipment purchases which are needed for the review agenda. Print to PDF the review notice (**MGMT_NOTICE_Performance_Review**). The notice will request the Grant ID. Add the MUS logo and your signature to the notice and email it to the grantee. Place a copy of the notice and sent email in the appropriate year under the Perkins Performance Reviews folder on the shared drive.

After the review, document findings, actions steps required for findings, needs improvement and best practices in the **Perkins IV database** form (**frm_grant_review**). Print, add MUS logo, sign and deliver via email the final review summary report (**_RPT_GN_Review_Summary**). Place of copy of the notice and sent email in the appropriate year under the Perkins Performance Reviews folder on the shared drive.

If a grantee objects to an action step and can provide valid documentation, make the appropriate revisions in the **Perkins IV database** using the form (**frm_grant_review**) and reissue the summary notice. Make sure to file documentation of the revision.

When all action steps have been addressed, combine all review documents into one document for each grantee. Label the PDF with, LA (for local application), college abbreviation, and closed if all documentation has been received. The file should contain the notice & agenda, summary report, any objections to the findings or report and subsequent correspondence, revised summary report if needed, and finding action completion documentation.

Other Perkins Grants:

All grants awarded with Reserve and Leadership funds will be considered in the Local Application Risk Assessment Review Scale as a Risk Category. The grant awarded with Reserve or Leadership funds will be included in the performance review.

Postsecondary Fiscal Performance Reviews:

Selection process to determine current reviews is based on Risk Management guidelines, OCHE Perkins Program Specialist recommendations, or as deemed appropriate based on previous year review findings.

The OCHE Federal Accountant makes an appointment with the fiscal representative for the designated institution to be assessed at least 30 days prior to a planned visit. After setting the appointment, the fiscal representative follows up with a written notification letter including areas to be reviewed and documentation requested for review.

Within 30 days after the on-site review, a follow up letter will be sent to the institution. This letter includes topics reviewed, findings, and actions required.

Findings Resulting in Actions Required

- Identification of unallowed or unapproved costs requires grantees return the funds identified and revise the final fiscal reports to reflect the correct allowable costs against the grant.
- Identification of inadequate internal control; or improper or lack of necessary procedures and policies, requires corrective or proper procedures be developed and submitted for review within a reasonable time. A follow up fiscal on-site review is usually planned for the next grant year.
- If additional fiscal oversight has been recommended for competitive grants, all competitive grantees will be required to submit a detailed expenditure ledger with their final fiscal report. Based on the information provided, further actions will be determined. If the reports do not provide the level of detail needed to ensure compliance with approved grant expenditures, additional documentation will be requested or an on-site fiscal review will be scheduled.