



Learning that works for Iowa

CTE™

STUDENT SUCCESS LEADING CHANGE ECONOMIC DEVELOPMENT RIGOR RELEVANCE MAKING THE DIFFERENCE COLLEGE INNOVATION LEADERSHIP WORLD-CLASS LEARNING HIGH-DEMAND CAREERS TRANSFORMING EXPECTATIONS SKILLED WORKFORCE ECONOMIC VITALITY INNOVATION GLOBAL COMPETITIVENESS COLLEGE & CAREER READINESS LEADERSHIP WORLD-CLASS LEARNING HIGH-DEMAND CAREERS TRANSFORMING EXPECTATIONS

PERKINS MONITORING (DESK AUDITS)



Perkins Monitoring (Desk Audits)



Why?

State monitoring of Local Eligible Recipients (LEAs) ensures that (we) Iowa are utilizing Federal Grant funds appropriately and correctly in accordance with the Strengthening Career and Technical Education for the 21st Century Act (Perkins V)

Collaboratively ensure that state- and local- level monitoring processes are methodical, consistent, efficient, and standardized to position Iowa well for future Federal audits.



Perkins Monitoring (Desk Audits)

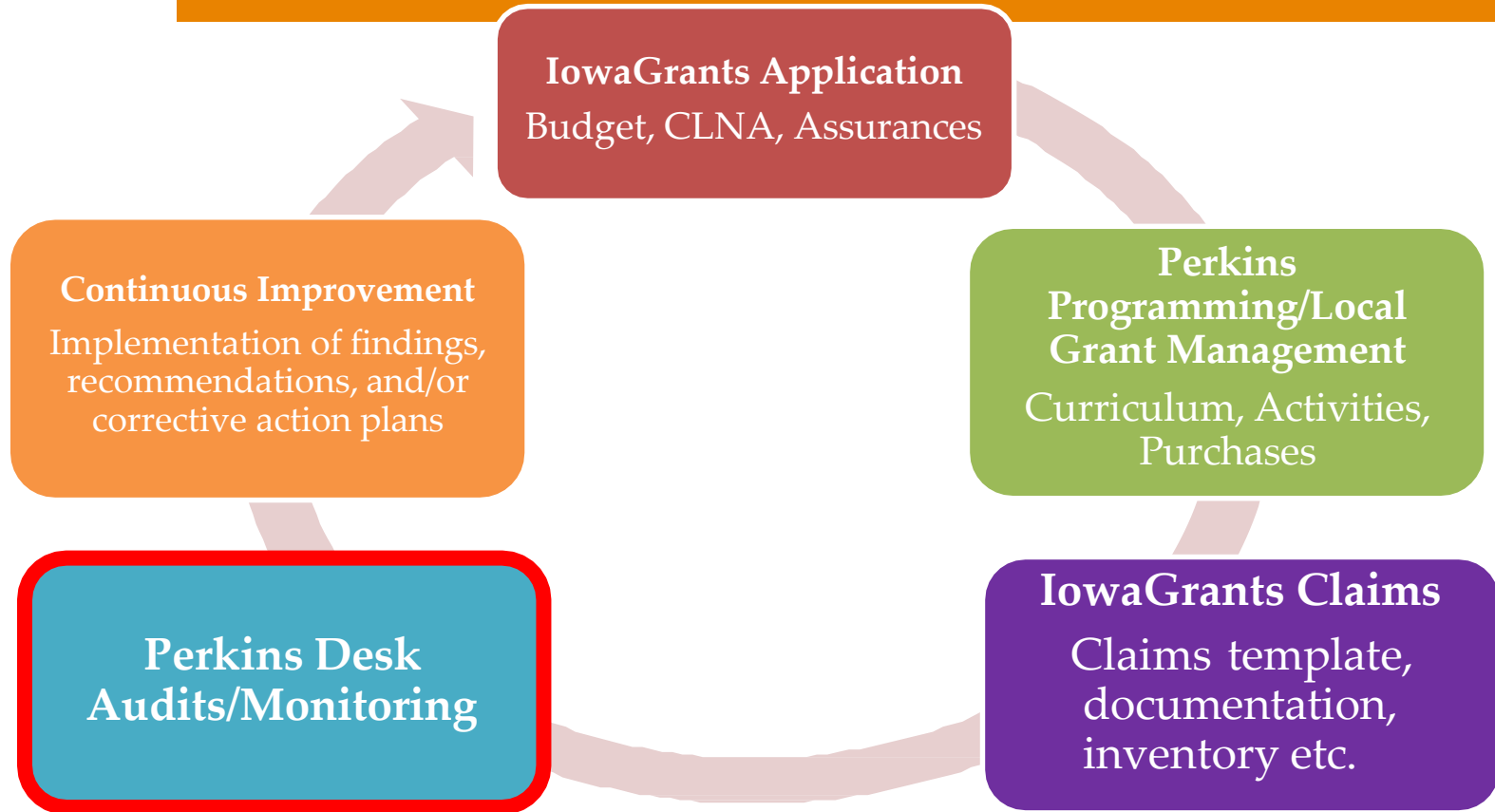
Local Grant Management (What are we looking at?)

- Budget Controls
- Records Retention Policies
- Procurement system and internal controls
- Personnel System that complies with all laws and regulations (when applicable)
- Time keeping system (when applicable)
- Property Management System/Inventory
- Travel policies



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Perkins Monitoring (Desk Audits)





Perkins Monitoring (Desk Audits)

Perkins V CTE Monitoring Timeline (Effective FY19)

Call for desk
audit
submissions
(late-August)

Desk Audit
Submission
Deadline
(December 31st)

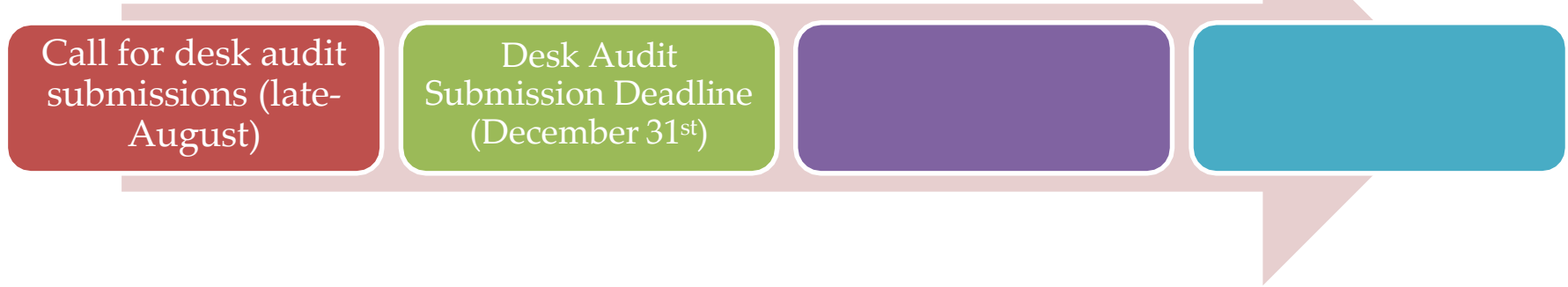
Reviews
(March –
May)

Reports
(June)



Perkins Monitoring (Desk Audits)

Perkins V CTE Monitoring Timeline (Effective FY'19)



Perkins V Secondary and Postsecondary Monitoring
[Community College Perkins Desk Audit Form](#)
[Secondary Perkins Desk Audit Form](#)



Perkins Monitoring (Desk Audits)

Perkins V CTE Monitoring Timeline (Effective FY19)



- Reviews (March – May)
 - IowaGrants history (back to prior desk audit)
 - Applications
 - Budgets
 - Claims (executive assurances, templates)
 - CLNAs
 - Notes from Bureau of School Improvement
 - Inventory documents (inventory lists and notes)
 - Job descriptions, time & effort (if applicable)**more on next slide*
 - Beginning AY20-21, performance data



Perkins Monitoring (Desk Audits)

Time & Effort

- Time & Effort requirements (EDGAR) – [2 C.F.R. § 200.430](#)
 - Documentation for personnel expenses - Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed.
 - How staff demonstrate allocability - if employee paid with federal funds, then must show that the employee worked on that specific federal program cost objective 200.403(a).
 - Who must participate? Must be maintained for all employees whose salaries are paid in whole or in part with federal funds; used to meet a match/cost share requirement; NOT contractors. 200.430(I)(1) and (I)(4).
- Job description requirements (EDGAR) - [2 C.F.R. § 200.413\(C\)](#)
- Documentation for personnel expenses 200.430(I)(1)
 - Records must be supported by a system of internal controls which provides reasonable assurance charges are accurate, allowable and properly allocated;
 - Be incorporated into official records;
 - Reasonably reflect total activity for which employee is compensated not to exceed 100%
 - Encompasses all activities (federal and non-federal);
 - Comply with established accounting policies and practices; and
 - Support distribution among specific activities and cost objectives



Perkins Monitoring (Desk Audits)

Administrative Costs

Federal Perkins V statute

SEC. 135. [20 U.S.C. 2355] LOCAL USES OF FUNDS. (p. 70),
<https://www.govinfo.gov/content/pkg/COMPS-3096/pdf/COMPS-3096.pdf>

d) ADMINISTRATIVE COSTS.—Each eligible recipient receiving funds under this part **shall not use more than 5 percent of such funds** [i.e., district/consortium allocation] for costs associated with the administration of activities under this section.



Perkins Monitoring (Desk Audits)

Common Perkins V Administrative Costs

- Developing the local application
- Supervising local application activities
- Supervising Perkins-funded staff
- Ensuring compliance with applicable Federal laws
- Supporting and developing local data systems for Perkins (this does not include data collection and analysis)
- Professional development for Perkins administrators



Administrative Costs - Direct

Direct costs generally include:

- Salaries are wages (including vacations, holidays, sick leave, and other excused absences of employees working specifically on objectives of a grant or contract –i.e., direct labor costs).
- Other employee fringe benefits allocable to direct labor employees.
- Consultant services contracted to accomplish specific grant/contract objectives.
- Travel of (direct labor) employees.
- Materials, supplies, and equipment purchased directly for use on a specific grant or contract.
- Communication costs such as long-distance telephone calls or telegrams identifiable with a specific award or activity.



Perkins Monitoring (Desk Audits)

Administrative Costs - Indirect

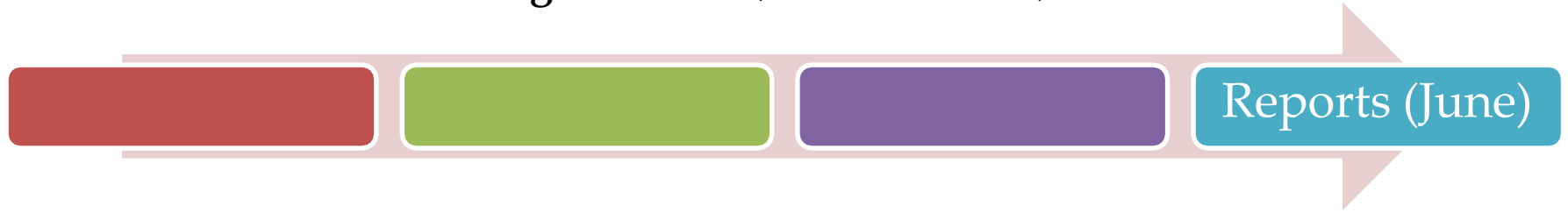
Federal Uniform Grants Guidance (UGG) definition and [link](#)

- Indirect costs represent the expenses of doing business that is not readily identified with a particular grant, contract, project function, or activity, but is necessary for the general operation of the organization and the conduct of activities it performs.
- In theory, costs like heat, light, accounting, and personnel might be charged directly if little meters could record minutes in a cross-cutting manner. Practical difficulties preclude such an approach. Therefore, cost allocation plans or indirect cost rates are used to distribute those costs to benefiting revenue sources.
- Looking at it another way, indirect costs are those costs that are not classified as direct.



Perkins Monitoring (Desk Audits)

Perkins V CTE Monitoring Timeline (Effective FY19)



Reports (June)

Final Report

Recommendations

Corrective Actions (when applicable)

Perkins Monitoring (Desk Audits)

- Starting with FY19 cycle, modifications and simplification were made to the desk audit submission, assessment & evaluation process
- (11) metrics
 - Each metric has a scale
 - Each metric has a weight
 - Each scale has a point value
 - Total points decide the “risk-level”; e.g., Very-Low (small N) | Very-High (large N)
 - [The Office of Management and Budget \(OMB\) Circular A-133 provided guidance for the rubric's framework.](#)

Risk-Level	Range
Very High	273 - 219
High	218 - 165
Medium	164 - 111
Low	110 - 56
Very Low	55 - 5

Perkins Monitoring (Desk Audits)

Metric	Scale	Point Value	Weight	Total Metric Points
<i>M.1.Number of Years Since Last Monitored</i>	8+ Years	7	X	XX
	6-7	5		XX
	4-5	3		XX
	0-3	1		XX
<i>M.2.Explains how decisions were made for Total Budget</i>	No plan	7	X	XX
	Split-equally	5		XX
	Formulae	3		XX
	Program decisions	1		XX
	District wide-plan	0		XX
<i>M.3.Perkins activities are addressed</i>	<3 Covered	5	X	XX
	<5 Covered	3		XX
	<7 Covered	1		XX
	All covered	0		XX
<i>M.4. Was there a fiscal agent/essential personnel change from previous desk audit</i>	Yes	5	X	XX
	No	0		XX
<i>M.5.Unexpended Funds</i>	Upper Quartile	7	X	XX
	Upper Middle	5		XX
	Lower Middle	3		XX
	Lower Quartile	1		XX
	All spent	0		XX

Perkins Monitoring (Desk Audits)

<i>M.6. Programing is current and ongoing</i>	≤ 20 Percentile	7	X	XX
	40-21 Percentile	5		XX
	50-22 Percentile	3		XX
	79-51 Percentile	1		XX
	≥80 Percentile	0		XX
<i>M.7. Improvement plan in place when/if targets were not met at last Perkins Desk Audit Review</i>	No improvement plan, not addressed	5	X	XX
	Improvement plan, not addressed	3		XX
	Improvement plan, partially met	1		XX
	No improvement plan needed/All met	0		XX
<i>M.8. Were there any findings in last school improvement bureau review</i>	Yes, none addressed	5	X	XX
	Yes, some addressed	3		XX
	Yes, all addressed	1		XX
	No findings	0		XX
<i>M.9. Is fiscal agent doing due diligence on financials (i.e., EDGAR regulations, claim submission guidelines, assurances, dispositions)</i>	No	5	X	XX
	Yes	0		XX
<i>M.10. Did they include all of the required documentation?</i>	No	5	X	XX
	Yes	0		XX
<i>M.11. Comprehensive inventory of equipment? (over \$500)</i>	No	5	X	XX
	Yes	0		XX



Perkins Monitoring (Desk Audits)

- Assessment results/scores/internal process
 - Data recorded for every cycle (data integrity)
 - Data stored in database by fiscal year (data management)
 - Database “data-lake” will allow the opportunity for gap analysis, future trend analysis, etc. (data analytics); e.g. SPSS, RStudio, Tableau
- Perkins V presented an excellent opportunity to revamp the state’s desk audit monitoring process
- My goal always
 - Transparency
 - Simplicity
 - Efficiency
 - Easy-to-understand processes
 - Not just a federal & state requirement, but a self-reflective exercise



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