

## VII. Grant Monitoring



### A. Fiscal Site Visit Policy and Protocol

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In addition to visits to observe program activities, each grantee will have a fiscal site visit with Commission Staff up to three times a year (with a minimum of one visit) to review backup information on invoices. Backup information includes documentation of all First 5 expenditures. At the site visit, Commission Staff will require several items. Generally, grantees should be prepared to show:

- Receipts or official payroll records that support each category of expenditure.
- A global budget, with all revenue sources and uses.
- Financial statements from most recently completed period and most recent audit
- A cost allocation plan for shared expenses.

If there are discrepancies, Commission Staff may visit a program more frequently.

If Commission Staff finds inadequate documentation (such as incomplete backup support or overcharges) during the fiscal site visit, First 5 will work with the grantee to formulate an action plan to remedy the situation (e.g. pay First 5 back). The grantee may be required to submit back-up documentation for future monthly invoices. In addition, the action plan could include a requirement that a grantee participate in technical assistance.

Some of First 5's funded programs operate through subcontracts. The fiscal site visit will include a verification that the grantee has paid any subcontractor amounts that are billed to First 5. Grantees should be prepared to show cancelled checks cashed by their subcontractors at the site visit. Failure to reimburse subcontractors for amounts billed to First 5 may result in contract termination and could result in the grantee being responsible for repayment of triple the original amount, per policy of the City and County of San Francisco.

Some grantees may allocate Indirect or Administrative costs (such as rent, utilities, support staff or insurance) to their First 5 grant. At the site visit, Commission Staff will ask to see the organization's cost allocation plan, showing how costs are allocated to the grant. The plan should detail the measure by which costs are allocated (i.e. number of FTEs, square footage occupied, total program expenses, etc.) and should show clearly how the cost allocation percentage for the First 5 grant is determined. As detailed in Section V, Part A, total Indirect and Administrative Costs may not exceed 12% of the total grant budget.

A cost allocation plan must be submitted to First 5 with the budget for each grant year.

*Reminders for Grantees: Fiscal Practices and Procedures*

- Take time before the fiscal site visit to go over the fiscal document checklist, which will be sent in advance. It details the items to be presented at the visit. Gather all of the requested fiscal documents in advance.
- Include fiscal and/or accounting staff at the visit.
- Keep program purchases separate from personal purchases.
- Once a bill has been paid, write "Paid" and the check number on the bill.
- If shared costs are allocated to the First 5 grant, it is helpful to indicate that on each paid invoice or receipt.
- Stick to purchases that have been outlined in the grant budget.
- Do not overspend the grant. Each month, 8.33% of the year will have elapsed. Commission Staff will compare the grant spend rate with the proportion of the year that has elapsed.
- Always remember to e-sign invoices. If an invoice is not e-signed, the invoice will not be processed.

### **C. Updates to the Commission**

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Commission staff will provide regular reports on grant activities to the Program Committee.

The information of the CMS and PEDS systems will be collected and synthesized by staff for presentation to the Program Committee. At the request of the Committee, staff may present reports on individual grants, grantees or initiatives. The committee may request agency staff attend a committee meeting to discuss a grant or initiative.