

## Section 8.2.1: Risk Assessment Tool and Grant Monitoring Plan

### PURPOSE AND POLICY

The Arizona Department of Administration (ADOA) Office of Grants and Federal Resources (GFR) is responsible to ensure that each state agency and department is meeting its monitoring goal and document that the State of Arizona is making progress toward meeting its programmatic and fiduciary responsibilities. To accomplish, the GFR maintains an Annual Statewide Grant Monitoring Plan. The State of Arizona's Annual Statewide Grant Monitoring Plan identifies and reports on state agency and department subawards, subrecipients scheduled for site visits, and status of current monitoring activities.

State agencies and departments are responsible for developing their Annual Agency Grant Monitoring Plan and submitting the plan to GFR by May 31 of each year. State agencies and departments must use the Association of Government Accountants' (AGA's) Risk Assessment Tool (<https://www.agacgfm.org/Intergov/More-Tools/Risk-Assessment-Monitoring-Tool.aspx>) to rate subawards against a standard set of criteria and to prioritize subawards most in need of onsite monitoring. The subawards selected for monitoring comprise the state agency or department grant monitoring plan. GFR will compile all agency plans into the Annual Statewide Grant Monitoring Plan and use this plan to track and verify monitoring activity throughout the year.

### PROCEDURE

#### Agencies and Departments

Each state agency and department that grants subawards is responsible for contributing to the creation of the overall Statewide Grant Monitoring Plan for the fiscal year. State agencies and departments should refer to the AGA's Risk Assessment Tool for guidance in assessing subawards and creating their agency grant monitoring plan. The plan must include information on which subrecipients require site visits and the agency's/department's schedule for conducting the site visits.

The AGA's Risk Assessment Tool is an Adobe-based tool that contains standard grant risk assessment criteria against which subawards are to be assessed. Responses to AGA's Risk Assessment Tool criteria are assigned yes/no values and the total assessment for a subaward is used to determine its monitoring priority of high, medium, or low. Each year, state agencies and departments are responsible for using the AGA's Risk Assessment Tool to assess their open, active subawards and determine which subawards will be selected for review and monitoring priority. State agencies and departments may choose to monitor a subset of their awards based on one or more eligibility criteria as determined by the agency or department. The selected subset should be at least 10 percent of open, active awards and the eligibility criteria should be documented in the Agency Grant Monitoring Plan. Grant program managers are responsible for using the monitoring priority as a guideline for making a monitoring decision. Monitoring decisions for all completed assessments are recorded in eCivis or the agency's Subrecipient Manager (SRM) solution, along with the assigned monitoring quarter, where applicable. This information is used

to generate a report to be submitted to GFR by May 31 of each year. These agency reports are the basis for the State of Arizona's Annual Statewide Grant Monitoring Plan.

### GFR

GFR will post the State of Arizona's Annual Statewide Grant Monitoring Plan to the eCivis Organizational Documents section to facilitate collaboration amongst other agencies and departments who may be monitoring the same subrecipient throughout the course of the year. All grant program managers must consult the Statewide Annual Grant Monitoring Plan well in advance of conducting an on-site review to ensure that subrecipients are not burdened with multiple or unnecessary visits during the course of the year. If more than one visit is planned by state agencies/departments to a particular site, collaboration and coordination amongst agency/department staff should occur.

GFR will coordinate quarterly updates with each state agency and department to capture any plan changes, trends, or best practices. GFR will publish all plan changes to the Statewide Annual Grant Monitoring Plan as well as verify that quality grant monitoring documentation has been uploaded to the subrecipient's eCivis or agency SRM solution file.

GFR will provide training and technical assistance on developing an Agency Grant Monitoring Plan including using the AGA Risk Assessment Tool to rate and prioritize monitoring activities and proper documentation in eCivis.

The State of Arizona's Annual Grant Monitoring Plan is an evolving document. In order to keep the plan as accurate and current as possible, state agency and department leadership should verify that grant program managers are assessing and completing subaward monitoring in a timely manner.