



# Risk-Based Monitoring

The goal of effective risk management is to ensure that each risk is identified, documented, prioritized, and mitigated, whenever possible.

In order to effectively monitor compliance and progress, and provide an adequate level of both on-site and off-site technical assistance, each program will undergo a formal risk assessment conducted by Serve Wisconsin staff.

Using the Risk Assessment Tool, each program will be analyzed and assigned a risk level – high, moderate, or low. The resulting monitoring plan will specifically address issues contributing to the assessed risk for each program. The overall monitoring plan will allow for the most time-intensive monitoring of the highest risk programs, with less time-intensive monitoring strategies applied, as appropriate, to lower risk programs.

Serve Wisconsin staff will assess the risk associated with each program on a bi-annual basis (August and February). Based on the risk assessment, staff will visit with each program, as appropriate, according to the identified risk factors and risk categories outlined below.

All organizations, regardless of their assessed risk, will undergo monitoring on an annual basis. Additional monitoring will be based on individual program needs and/or identified concerns. Monitoring may be adjusted throughout the program year, as necessary. All first-year programs will be considered high financial and programmatic risk. Fixed amount grants will not undergo a financial risk assessment or financial monitoring.

## High Financial Risk

Programs receiving a high financial risk assessment will undergo a monthly review of all financial claims prior to approval (for three months or until notified to stop), and an annual financial desk review.

## High Programmatic Risk

Monitoring efforts of high risk programs will focus on the factors contributing to the risk of the program. Serve Wisconsin staff will provide a detailed report with any continuous improvement or compliance issues that must be remediated.

High risk programs will receive a minimum of two site visits per year. The first visit will be conducted within 3 months of the program start date, and the second visit will be conducted approximately 6 months into the program year. Site visits will focus heavily on the areas contributing to the high risk designation for the program.

In addition to the site visits, Serve Wisconsin staff will review member timesheets, the member enrollment rate, a complete member file review, member exit data, and member training and education hours.

## Moderate Financial Risk

Programs receiving a moderate financial risk assessment will undergo a review of all financial claims for a selected period and an annual financial desk review.

## Moderate Programmatic Risk

Monitoring efforts of moderate risk programs will focus on the factors contributing to the risk of the program. Serve Wisconsin staff will provide a detailed report with any continuous improvement or compliance issues that must be remediated.



Moderate risk programs will receive at least one site visit per year. Additional visits may be conducted on an as-needed and/or requested basis. Site visits will focus heavily on the areas contributing to the moderate risk designation for the program.

In addition to the site visit, Serve Wisconsin staff will review member timesheets, the member enrollment rate, a complete member file review, member exit data, and member training and education hours.

### **Low Financial Risk**

Programs receiving a low financial risk assessment will undergo an annual financial desk review.

### **Low Programmatic Risk**

Monitoring efforts of low risk programs will focus on the factors contributing to the risk of the program. Serve Wisconsin staff will provide a detailed report with any continuous improvement or compliance issues that must be remediated.

Serve Wisconsin staff will review member timesheets, the member enrollment rate, member exit data, and member training and education hours.

A site visit may be conducted if warranted as a result of desk monitoring, or if the program has not received one in the past three years.





# Monitoring Schedule

Monitoring occurs throughout the year and is done based upon the program’s assessed level of risk. New programs are automatically considered high risk. Programs can have a different assessment of risk for each area – Financial and Programmatic. Monitoring levels are assessed bi-annually. Serve Wisconsin reserves the right to conduct additional monitoring as deemed necessary. Fixed amount grants will not undergo a financial risk assessment or financial monitoring.

## Financial

Monitoring Process	Monitoring Frequency	Monitoring Components/Tools
Periodic Expense Report (PER) Review		Program Officer reviews every PER submitted to ensure expenses do not exceed 10% of budget, sufficient match is reported, Admin costs do not exceed allowable expenses and to ensure funds are being spent timely/according to plan. Agencies may be requested to provide additional information if issues/questions are identified.
All	Each reporting period	
High	Monthly, until released by Serve Wisconsin staff	Prior to PER approval the Fiscal Officer will review the general ledger and all supporting documentation for all expenses for a minimum of three months, then until notified to cease, to ensure all expenses are allowable, reasonable, allocable, consistently applied, and adequately documented.
Moderate	One month	Prior to PER approval, the Program and Fiscal Officer will select one month or quarter to review the general ledger and all supporting documentation for all expenses to ensure all expenses are allowable, reasonable, allocable, consistently applied, and adequately documented.
Low	Annually	As part of the annual Financial Desk Review, the Program and Fiscal Officer will select one month or quarter to review the general ledger and all supporting documentation for all expenses to ensure all expenses are allowable, reasonable, allocable, consistently applied, and adequately documented.
Annual Financial Desk Review		A sample of financial aspects of programs including general ledgers, bridge documents, time sheets, payroll registers, and other requested financial documentation, will be reviewed.
All	Annually	

## Programmatic

Monitoring Process	Monitoring Frequency	Monitoring Components
Member Timesheet Review		An administrative review which will ensure the following: <ul style="list-style-type: none"> <li>• There are no members with late or missing timesheets;</li> </ul>
High	October, March, July	
Moderate	October, March	
Low	October, March	



		<ul style="list-style-type: none"> <li>• Timesheets are completed by members and approved by supervisors within 30 days;</li> <li>• There are no members with more than 100 hours pending approval;</li> <li>• There are no members with zero training hours;</li> <li>• There are no members with more than 10% of their time spent on fundraising; and</li> <li>• There are no members who need to serve more than 40 hours per week in order to complete their term of service on time.</li> </ul> <p>If issues are identified, additional timesheets may be reviewed.</p>
Member Enrollment and Retention Status		Member enrollment rate and retention status will be reviewed for all programs, regardless of risk.
All	November, January, August	
Current Member File Review		A random sample (20 high/10 moderate, more as necessary) of member files will be reviewed for the following components: enrollment date alignment, criminal history check information, and the member application.
High	November	
Moderate	November	
Low	N/A	
Exited Member File Review		A random sample (20 high/10 moderate/5 low, more as necessary) of exited member files from the previous grant year (if applicable) will be reviewed for the following components: performance evaluations, exit date alignment, timely member exit, and early exit documentation, if applicable.
High	November	
Moderate	November	
Low	November	
Member Exit Data		Member exit data from the previous grant year (if applicable) will be reviewed for all programs, regardless of risk.
All	November	
Site Visit		Site visits will focus heavily on the areas contributing to the program's high risk areas. Site visits will consist of the following: program staff interview, fiscal staff interview, member interview(s), on-site member observations, and on-site supervisor interviews.
High	November, February	
Moderate	February	
Low	N/A	
Check-in Calls		Check-in calls will be conducted with all applicable Serve WI staff and program staff to discuss any ongoing issues, items for clarification, or just a general check-in with programs.
High	Monthly	
Moderate	Bi-monthly	
Low	Quarterly	
Progress and Performance Measure Reporting		Program progress reports and performance measure data will be reviewed quarterly for all programs, regardless of risk.
All	January, April, July (if required), October	
Grant Closeout Discussion		Program Officers will review the grant closeout process with each program, regardless of risk, to ensure an accurate, timely closeout.
All	August	
Member Training and Education Review		Member training and education hours will be reviewed to ensure the aggregate of all members does not exceed 20%.
All	August	

