

Partner Assistance and Funding Maximization Policy

The purpose of this policy is to:

- 1) Ensure each sub-recipient of AEL funding is operating at their full potential to meet the needs of the Adult Education and Literacy customers.
- 2) Ensure performance in reaching outcome measures,
- 3) Ensure adequate returns on funding investments, and
- 4) Support the Consortium in achieving its goals.

The Consortium will review financial, administrative, and performance data to evaluate a funding sub recipient to determine the need for assistance.

I. Partner Assistance

The Consortium may require formal assistance be provided to a sub-recipient for instances including but not limited to the following:

- a) Failure to submit timely and accurate required financial or performance reports;
- b) Failure to take corrective action to resolve findings identified during monitoring or program reviews;
- c) Failure to rectify or resolve all independent audit findings or questioned costs within required time frames;
- d) Breach of administrative and service contract requirements;
- e) Failure to retain required service delivery and financial records;
- f) Failure to make acceptable progress toward contracted outcome goals; or
- g) Failure to rectify reported threats to health and safety of program participants within 30 days of notice.

Formal assistance required will be determined based on the following criteria:

- a) Severity, nature, duration, and extent;
- b) Previous occurrences; and,
- c) Efforts of the recipient to prevent the occurrence.

Formal assistance may take, but not be limited to, one or more of the following actions:

- a) Participation in technical and quality assurance activities;
- b) Mandatory participation in training;
- c) On-site visits by the grant recipient to monitor and assist with daily operations of a sub-recipient;
- d) Require a Performance Improvement Plan;
- e) Mandatory corrective action plan to address deficiencies identified;
- f) Submission of additional or more detailed financial or performance reports;
- g) Repayment of disallowed costs; or

h) Contract cancellation or termination.

The decision to require mandatory assistance may be made by either the Consortium through a majority vote or the Grant Recipient.

II. Funding Maximization

The Consortium will base a potential deobligation on a sub-recipient's failure to achieve the expenditure of an amount corresponding to 90 percent or more of the relative proportion of the program year, the earliest of which would be the third month of the program year and the latest of which would be the tenth month of the program year.

For example, at the end of the sixth month of the program year, 50 percent of the program year is completed and 90 percent of 50 percent equals 45 percent—which is the lowest expenditure level to be achieved in order to avoid a potential deobligation.

Prior to Consortium consideration of a potential deobligation, sub-recipients may provide information to justify their current and projected expenditure levels, pertinent performance data, and service levels.

Upon receiving a formal request from the Consortium or the lead Grant Recipient, a sub-recipient must provide a service delivery plan, with sufficient detail, to ensure the specific strategies and actions the sub recipient has undertaken, or will undertake, will assist them to expend at least 90% of funds within the program year.

The Consortium or Grant Recipient will provide notification of potential deobligation and the amount. The service delivery plan must include an explanation of the under expenditure and the plan to address the deficiency, such as:

- Expansion of services proportionate to the available resources;
- Projected service levels and related performance;
- Reporting outstanding obligations; and,
- Any other factors a recipient wishes the Consortium or Grant Recipient to consider.

The decision to deobligate funds will be made by the Consortium through a majority vote or the Grant Recipient.

Voluntary Deobligation

Sub-recipients may voluntarily deobligate funds when current allocations exceed the needs of their service delivery strategies.

Reallocation of Funds

Sub-recipients must be aware that the Consortium or Grant Recipient can reallocate available balances of funds to eligible recipients within the Consortium.

Eligible sub-recipients must submit written requests for additional funds that the Consortium or Grant Recipient makes available for reallocation.

Eligible sub-recipients may submit the requests to the Consortium Lead organization or the Grant recipient at any time during the contract period.

Reallocations will be determined by the Grant Recipient organization or the Consortium through a majority vote.

Reallocations will be based on:

- Amounts specified in the any written requests for additional funds;
- Demonstrated ability to effectively expend funds to address the need for services;
- Performance during the current and prior program year; and
- Related factors, as necessary, to ensure the funds are fully used.

To be eligible to receive reallocated funds, sub-recipients must be at a 90% expenditure rate relative to the program year.