



Homeless Veterans' Reintegration Program (HVRP) Listening Session: KPMG Financial Compliance Training for HVRP Grant Recipients

Questions and Answers

Q. What is required for the Grant Officer's Technical Representatives (GOTR) if we need to make budget changes? Can we get clarification for what is required for an audit? We've gotten conflicting information about what is required from them. We put in our budget that approximately 5 veterans will take a class for \$1500, but halfway through the grant year, we haven't done that, and somebody wants to use half of that money for one client. Never in the past have we had to get prior approval to use the same budget line, but just not the exact amount. We've been told that we have to get approval from the GOTR to have one person spend \$3000 instead of 5 people at \$1500.

A. In our Veterans' Program Letter [VPL 04-24 Homeless Veterans' Reintegration Program Award Amendments](#), certain criteria in Section V states when an amendment is required. An amendment is not seeking approval from your GOTR, it's seeking prior authorization or approval from the Grant Officer.

"In accordance with 2 C.F.R. § 200.308, no prior approval is needed for cost-related changes, including re-budgeting of funds or deviating purchases from the budget narrative, unless the change results in meeting one of the items listed in Section V above that requires an amendment application."

As I mentioned at the beginning of this presentation, we talked about the performance of audits that are being conducted during certain program years (PY), PY22, PY23, and right now they're being conducted by our partners at KPMG. In the last couple of years, we have developed and published these policies, and the socialization of concepts of HVRP when it was a one-year period of performance (PoP) is a lot different than that of a three-year PoP. We're continually trying to reinforce that there is newer policy that it isn't as restrictive.

When KPMG is conducting their performance or financial audits, they are doing it in accordance with the terms and conditions of the grant agreement, our policies and directives, and the Code of Federal Regulations (C.F.R.).

Q. Going into fiscal year (FY) 25 or 26, just to confirm—we don't need approval from the GOTR if we stay within the budget line but use different numbers, right?

A. Approval from the GOTR is not required. Per VPL 04-24 Section VI.B: "If a grant recipient determines a need to expend funds that are not listed within their most recently approved budget narrative, the grant recipient must consult with their GOTR for technical assistance. Although an amendment application, or prior approval, is not required for transfers less than 10 percent among direct cost categories, grant recipients must notify the GOTR of the transfer for tracking purposes. The grant recipient is responsible for ensuring that all expenditures, including those identified in the most recently approved budget narrative, are necessary, reasonable, allocable, and allowable in accordance with 2 C.F.R. § 200.403 before charging any expense."



Q. Is there a specific list for what items would require an actual amendment? How would we know when to ask?

- A. Absolutely yes. VPL 04-24 has a list of general amendments, and those are common among the HVRP that require prior approval from the Grant Officer before implementation in Section V.

Poll questions

Q. Have you been selected for an audit?

- A. Yes 43% (16)
No 56% (21)

Q. How do you keep up with current guidance and requirements?

- A. Rely on Grant Terms and Conditions 10% (4)
Review Veterans' Program Letters (VPLs) 24% (9)
Conversation with GOTR 45% (17)
Listening Sessions/audit debriefs 18% (7)

Q. How often do you communicate with GOTRs?

- A. Daily 7% (2)
Weekly 19% (5)
Monthly 50% (13)
Quarterly 11% (3)
Other (Please specify) 11% (3)

Q. What is the biggest challenge you face in grant financial management?

- A. Communication with GOTR 0% (0)
Data collection and reporting 9% (3)
Understanding regulations, VETS' policies,
and award terms and conditions 64% (20)
Other (please specify) 25% (8)

Q. From a grants financial management perspective, what specific areas would you like additional guidance or clarification?

- A. Reporting regulations
A. Requirements – getting conflicting requirements for GOTRs of budget
A. Justification on items that may be allowable but because incentives/training are such broad terms, it's hard to make the right choice.



Quiz Questions [correct answers in bold, red font]

Q. Does the audit include testing of payroll and benefits?

- A. **True** **93% (28)**
False 6% (2)

Q. Who should attend the audit walkthrough meeting?

- A. Grant accountant 0% (0)
Individual that has knowledge of payroll costs and processing 0% (0)
Key personnel in financial reporting of grant 3% (1)
All of the above **96% (28)**

Q. Which type of documentation provides the strongest evidence for a payroll cost selected during the audit?

- A. **Timesheet and offer letter detailing employee salary** **70% (21)**
Excel report from the payroll system indicating hours incurred and pay rate of employee 30% (9)

Q. Which documentation supports a direct cost selected during the audit?

- A. **Invoice** **96% (30)**
Excel report showing costs incurred 3% (1)

Q. The audit will look at grant performance metrics.

- A. True 89% (26)
False **10% (3)**

Q. What does PBC stand for?

- A. Produced by cats 3% (1)
Provided by client **96% (29)**
Partially baked concepts 0% (0)
Patiently built chaos 0% (0)

Q. Are quarterly reports (e.g. SF-425) and related supporting documentation reviewed as part of the audit?

- A. **Yes** **96% (29)**
No 3% (1)