

*Updated January 6, 2009*

# **National Management Evaluation Guidance**

**August 2008**

*Updated December 30, 2008*

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Issued April 2004

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August 2008

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## **I. Glossary of Terms**

### **A. Definitions**

**Corrective Action:** Actions proposed or taken by an operating organization (State or local agency) to respond to a finding of noncompliance with Federal regulations, Agency Instructions and Policy Memos. The term “required corrective action” is the element of the management evaluation report that conveys action items required by the Agency for the State agency to move into compliance with Federal regulations, Instructions and Policy Memos.

**Data Mining:** Data mining is the search for relationships and global patterns that exist in large databases, but are ‘hidden’ among the vast amounts of data. Refer to Appendix A.

**Desk Review:** Activity performed by FNS staff while not on-site – examples include review of printed files, electronic media, etc. Desk reviews are completed like an on-site review except that staff does not travel to the location whose operations are under review.

**Exception basis:** The documentation of information only as necessary to support a noteworthy initiative, finding or observation.

**Finding:** Identification of non-compliance with program regulations, FNS Instructions and Policy Memos. Each finding is associated with a required corrective action. Refer to Appendix B.

**Functional Areas:** Program activities performed by the State agency which are examined and measured in an ME.

**Management Evaluation (ME):** Periodic assessment of the accomplishment of program objectives and compliance assessment of State agency and local program operations including compliance efficiency, effectiveness and quality of service that results in a report that indicates review findings, observations and noteworthy initiatives.

**Noteworthy Initiatives:** Projects and practices worthy of recognition and sharing with other States agencies for replication. This information can then be shared with other State agencies in an effort to improve program operations.

**Observation:** Identification of a program improvement or weakness involving management practices or unregulated activity [associated with a suggestion].

**On-Site:** FNS activity performed at a State agency’s central office, local office or program operating site/location; i.e. activity not performed in FNS offices. This may include local agency visits, store visits, interviewing staff, review of computer systems, participant files, reports, forms and records.

**Required Corrective Action:** Statement of actions needed to correct non-compliance with regulations and established policies and procedures. These actions may be prescribed or the State agency may be required to determine the action(s) to be taken [associated with a finding].

**Review Coordinator:** FNS employee who is designated as the primary contact or lead team official for a particular ME.

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**Review Cycle:** The recurring time interval, measured in years, during which all State agencies within a program are to be reviewed across functional areas.

**Single Audit:** An audit of a State agency's financial statements and Federal funds received (and sometimes operations) performed by a State agency audit entity or State agency contractor and conducted in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations".

**Suggestion:** Statement of actions that address observations made in the ME. These actions may or may not be required. Each suggestion is associated with an observation.

**Strategic Plan:** FNS' five year plan for program management and improvement.

**State Agency:** (1) An education, health or human service department or comparable agency responsible for administration of the federally aided nutrition assistance programs within any one of the fifty States, the District of Columbia or the U.S. Territories. (2) An Indian tribe, band or group recognized by the Department of the Interior or an intertribal council or group which is an authorized representative of Indian tribes, bands or groups recognized by the Department of the Interior, which is authorized to administer the programs on their behalf; or the appropriate area office of the Indian Health Service of the U. S. Department of Health and Human Services.

**Technical Assistance:** Guidance and support to State agencies to achieve regulatory compliance and program improvement.

**Work Papers:** All papers, notes and documents prepared in completing a ME; includes all individual worksheets.

## **B. Acronyms**

APD	Advance Planning Document
CFR	Code of Federal Regulations
FM	Financial Management
FNS	Food and Nutrition Service
FNSRO	Food and Nutrition Service Regional Office
FOIA	Freedom of Information Act
FPRS	Food Program Reporting System
ITO	Indian Tribal Organization
LOC	Letter of Credit
ME	Management Evaluation
NARA	National Archives and Records Administration
RC	Review Coordinator

## **II. Introduction**

FNS is legislatively mandated to monitor program administration and operation of its Food Assistance Programs. This document sets forth the guidance to be used as the framework for conducting MEs of all FNS programs.

**Management Evaluation is defined as periodic compliance assessment of State agency program operations that results in a report that indicates review findings, suggestions and noteworthy initiatives.**

Components of the review process include determining the purpose of the review, planning and preparing, conducting the review, writing the report, follow-up, and closure.

The ME is a significant component in FNS activities and the most critical instrument for monitoring State agency program compliance

and improving Program operations. Data gathered through this process provides a basis for assessing the administration of FNS programs and planning future management objectives.

FNS must continue to rely on and improve its performance of MEs and other reviews, in order to ensure compliance with program regulations and to provide effective and efficient program management. Effective MEs address and assess State agency achievement of program objectives and FNS' strategic performance objectives and priorities.

MEs include the local agency level to assess the actual operations where program benefits are provided to eligible participants. Although there have been advances in technology, and in the quality of data provided by State agencies, for some functional areas, it is critical that on-site reviews of local entities occur to assure quality service delivery.

Coordination and/or joint reviews between FNS programs and FM should be completed when it proves to be beneficial.

As stated above, this document sets forth the guidance to be used as the framework for conducting all Management Evaluations (MEs) of the following FNS programs:

### **FINANCIAL MANAGEMENT**

### **SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP)**

### **CHILD NUTRITION PROGRAMS**

- National School Lunch Program (NSLP)
- School Breakfast Program (SBP)
- Summer Food Service Program (SFSP)
- Child and Adult Care Food Program (CACFP)

### **FOOD DISTRIBUTION PROGRAMS**

- The Emergency Food Assistance Program (TEFAP)
- Food Distribution Program on Indian Reservations (FDPIR)
- Commodity Supplemental Food Program (CSFP)
- Fresh Fruits and Vegetable Program (FF/V)

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SPECIAL SUPPLEMENTAL NUTRITION PROGRAMS

- Special Supplemental Nutrition Program for Women, Infants and Children (WIC)
- Senior Farmers' Market Nutrition Program (SFMNP)
- WIC Farmers' Market Nutrition Program (FMNP)

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### **III. Purpose of National ME Guidance**

The purpose of this guidance is to:

- Provide a consistent, uniform, and systematic method of monitoring and assessing program operations
- Allow the continuous flow of information between State agencies and FNS necessary for developing solutions to challenges in program operations
- Improve and strengthen program operations by identifying and correcting deficiencies
- Provide a consistent report format
- Provide Regional Office staff with guidance for planning, preparing, conducting, and reporting on program performance
- Facilitate more efficient and effective planning and resource allocation

The National ME Guidance facilitates Agency consistency and it includes the following components:

- Planning and Preparing for the Review
- Conducting the Review
- Writing the Report
- Follow-up/Closure

## **IV. Planning and Preparing for the Review**

Good planning and preparation in the office results in better organized, more thorough, and smoother reviews in the field. It is important to recognize that the ME process has the potential to address all aspects of State agency administration and local program operations. Since this is an opportunity to influence the State agency's operation, reviewers should prepare thoroughly and follow the steps below.

- A. Assemble the review team and develop a work plan for conducting the review that:
  1. States the purpose of the review
  2. Determines what functional areas will be reviewed
  3. Determines how the functional areas will be reviewed and the data requirements (refer to individual program review guides for details)
  4. Identifies the team members' roles and responsibilities for the review
  5. Defines review timeframes
  6. Addresses staff scheduling adjustments
  7. Establishes who will write the report or sections of the report
  8. Sets due dates
  9. Considers location, whether materials are current, and availability of resources - some resources may be available electronically
  
- B. Confirm the schedule in writing approximately 6-8 weeks (or less if warranted) before the on/off-site activity. Refer to the Program specific review guides for the scheduling letter template. Notification in the scheduling letter should include:
  1. Scope, purpose and objective
  2. Review time frame
  3. List of the functional areas to be reviewed along with specific processes and procedures to be utilized
  4. Request for required data
  5. Request for a work area and appropriate access to necessary files, specifically stating information that needs to be available on-site or mailed to the regional office for review prior to the on-site review.
  6. List of FNS contacts, for the State agency to reference regarding questions or concerns about the review
  7. Request for a list of State agency contacts for each functional area
  8. Special information needed or questionnaires to be completed in advance of the ME, FNS contact name for return of the information or questionnaires (if different from item 6 above), and a date for their return

The following is a list of documents/data sources that can be used when preparing for the review, depending on the functional areas to be reviewed. The information and data from these sources should be incorporated into the work papers.

- CFR citations, FNS Instructions, Handbooks, and supporting materials. Special attention should be given to recent changes
- Program-specific review guides
- OMB Circular A-133, Compliance Supplement for USDA Federal Food Programs. This document provides guidance for the State and local agency single audits, and can be useful in planning the review and providing standards for the review of A-133 audits
- Recent A-133 Audit (Single State Audit) of the State agency program, or other program audits, for deficiencies and issues that need follow-up. As needed, obtain copies of recent single contact audits of local agencies, particularly for those local agencies that may be visited during the on-site review

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- Program policy, guidance, and standards of practice.
- State agency MIS reports that identify data trends and analysis.
- Current State Plan for program operations, policy and procedure manuals, other State agency policy guidance and State agency waivers. These documents provide information describing State agency organization and operation of the program, program goals and objectives, policy and procedures, and other useful information
- Input from co-workers who will not be on the ME team but have topical responsibilities and/or are familiar with the State agency operations. They can be a source for information on program operations within the State agency
- Correspondence with the State agency since the last review since it can provide an historical perspective. Identify and become familiar with past and present issues or matters that may require follow-up since the last review
- Information from appropriate FNS staff on the status of the management information systems utilized for program service delivery by the State agency, including any review work, and the status of any APD. Research potential for querying or accessing the system for review purposes, or ideas they may have that might assist the review effort
- Last ME report and other regional reviews findings and State agency actions and corrective action taken.
- Last financial management review of the State program operation if it relates to the ME
- All required program and financial reports provided to the Regional Office by the State agency for the program, including timeliness and accuracy. Some of these reports can be accessed through FPRS or other automated systems. Review the data both for general program familiarization and for trends and anomalies that may lead to further review activity
- Reports of State agency-conducted reviews of local agencies, especially any that will be visited during the ME. These can be used to evaluate the State agency's success in addressing issues in local offices
- State-produced management reports and publications
- Data Mining that can be conducted
- Status of any special grants, awards or funds to determine whether the State agency is current in its reporting responsibilities and whether there are any problems in project implementation or operations
- Court suits for applicability to the review
- Input from Regional Civil Rights staff on special circumstances or challenges that the ME should address regarding responsibilities of program and Civil Rights staff and communication mechanisms
- FNS-113-1 (Civil Rights) Instructions and Regional Office records of all program and civil rights complaints that have been received since the last review
- Available data in FNS website, PartnerWeb, National Databank, participation reports, to assess how well the State agency's program is addressing food insecurity and hunger
- Advocacy and other service organizations within the State regarding the responsiveness of the State agency and the program in meeting the needs of the community and target population
- Other Federal agencies to determine if there are issues within their management assessments that should be coordinated across Federal agencies

## **V. Conducting the Review**

**A. Entrance Conferences:** are held prior to conducting the ME via a face-to-face meeting or conference call. This introductory session for the review team and the State agency (and local staff, if applicable) generally includes:

1. An introduction of State agency and Federal staff
2. An opportunity for clarification of roles and responsibilities
3. A collection of entrance conference attendees' names, titles, phone numbers and E-mail addresses to be maintained as part of the work papers
4. Discussion of the following items:
  - a. Areas of coverage and team member assignments
  - b. Plans for review methodologies
  - c. Needed access to records
  - d. Outline of planned site visits
  - e. Communication to how findings will be provided to State/local management during the course of the review
  - f. Confirmation of the work/interview schedules for the week
  - g. Establishment of the date, time, who should attend, and format for the exit conference (face-to-face meeting or conference call)

**B. Review Activities:** Use the appropriate program review guides for the methodology

- Financial Management: Financial Management Review (FMR) Guide
- Supplemental Nutrition Assistance Program
  - Target Areas memo for the current fiscal year
  - Program Access Review Guidance (PAR)
- Child Nutrition Programs
  - National School Lunch Program (NSLP)
  - School Breakfast Program (SBP)
  - Summer Food Service Program (SFSP)
  - Child and Adult Care Food Program (CACFP)
- Food Distribution Programs
  - Food Distribution Programs on Indian Reservations (FDPIR)
  - The Emergency Food Assistance Program (TEFAP)
  - Commodity Supplemental Food Program (CSFP)
  - Warehousing Module
- Special Supplemental Nutrition Programs:
  - Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) - State Technical Assistance Review (STAR) Guide
  - WIC Farmers' Market STAR Guide
  - Senior Farmer's Market STAR Guide

**C. Exit Conferences:** are held at the conclusion of the review with State agency staff or local officials (when appropriate) to:

1. Discuss the preliminary review findings
2. Solicit information that might be necessary for inclusion in the final report

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3. Inform State and local agency staff of identified deficiencies and resulting required corrective action(s)
4. Inform State and local agency staff of findings that require further evaluation and analysis by FNS staff
5. Explain the process of issuing the final report and following up on the required corrective action(s)

The Region has discretion to conduct separate formal entrance and/or exit conferences, via meeting or conference call.

## **VI. Writing the Report**

All final ME reports should be written within 45 to 60 days from the date on which FNS staff leave the State agency. An executive summary of the final report should also be sent to the State Commissioners.

### **A. Contents of the Report**

The report:

1. Includes the data/findings and the associated required corrective actions. It is not the intent of an ME report to describe/record the operations of a State or local agency
2. Is prepared on an exception basis in terms of findings, observations, noteworthy initiatives and technical assistance that the Regional office deems appropriate to note.
3. Includes any appropriate background along with a convincing and fair presentation of the identified problem/issue
4. Provides a basis for judging the prevalence and consequences of noncompliance or less than effective management
5. Includes quantifiable data and statistics where appropriate to illustrate or substantiate a finding or required corrective action recommended by FNS.
6. Conveys the scope of issues
7. Provides information in a convincing manner, such as, "Twenty cases of thirty-two were not processed within the thirty-day time frame."
8. Provides an analysis of the findings (for example, scope/severity of findings)
9. Gives CFR citations for finding of regulatory noncompliance and the "**Required Corrective Action.**" All requests for "**Required Corrective Action**" begin with the language, "The State agency must...", e.g., failure to timely certify participants would result in a required corrective action such as: "The State agency must develop and implement procedures to ensure that timely action is taken to certify applicants."
10. Provides "**Observations**" when discussing operational weaknesses or inefficiencies not connected with regulatory compliance. "**Suggestions**" are provided for each observation. Responses to observations and suggestions are requested, rather than required, since they are not regulatory. Suggestions begin with "The State agency should...." Where local agency action is requested, the suggestion should begin "The State agency should ensure that the local agency...", e.g. , The State agency should ensure that the local agency provides customer service training to all staff within the next year."

### **B. Report Template**

The following is a national template of main components for review reports. When there are few findings the report can be adapted to include only the components deemed appropriate. Refer to the Program-specific review guides for Program-specific report format.

1. **Cover letter:** A short transmittal letter that includes the general review coverage and outcome. Additional comments can be provided at Regional discretion. The cover letter will designate a deadline for State agency response. The length of time is 60 calendar days after the date of the transmittal letter unless there are specified regulatory or Program-specific timeframes assigned.
2. **Table of Contents:** If the report is over five pages, a Table of Contents is included where appropriate due to the broad scope or complexity of the report.
3. **Acronyms and Definitions:** A list of acronyms and definitions of terms, contained within the report, including "Findings," "Required Corrective Action," "Observation," "Suggestion," and "Noteworthy Initiatives." If an acronym appears in the section only

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once, write out the term without indicating the acronym. This may be in the form of an explanatory paragraph addressing the five abovementioned ME report terms.

4. **Executive Summary:** A concise statement that provides high-level managers a formal assessment of program operations along with noteworthy initiatives and/or major findings. If there were no findings, then this should be indicated in the summary.
5. **Body of the Report:** The following is included in the body of the report:
  - Scope of functional areas/review purpose
  - Methodology
  - Findings and required corrective actions
  - Observations and suggestions (This section may be omitted as appropriate.)
  - Noteworthy initiatives (This section may be omitted as appropriate.)
6. **Attachments and Appendices:** These are materials that supplement or support information contained in the body of the report. At Regional office discretion based on the relative complexity of the ME report findings, these include:
  - Charts and graphs
  - Documentation
  - Other supporting materials

Reports must comply with sensitive agency information requirements. Attachments or appendices should include lists of deficient cases, diagrams, charts, or supporting documentation that do not fit easily into any section of the report or that detract from the readability of the section. Attachments and appendices should be included only when deemed necessary to substantiate findings and observations.

### **C. Report File**

The file for the ME should contain:

1. A copy of the final report issued to the State agency
2. All documentation supporting the review, including
  - Notes
  - Work papers
  - Copies of pertinent material obtained during the review
  - Office related E-mails
  - Other information supporting the review
3. A copy of any pertinent correspondence related to the ME for that year

All working papers, comments, E-mails, and similar documentation are written and documented in a professional manner due to material being subject to release through FOIA.

The report file is retained according to the relevant schedules of FNS Instruction 270-1, Records Management Program, which outlines guidance to all programs for the retention of records, or FNS-developed schedules specifically approved by NARA. Since the standards for retention of management evaluation report files may vary between programs, retention time frames are stated in the Program review guides.

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## **VII. Follow-Up/Closure**

For Required Corrective Actions cited in the report, the State and/or local agency must:

- Evaluate the problem
- Identify the problem causes
- Determine the corrective action(s) necessary to correct the finding
- Respond to FNS with documentation and/or a statement of the action(s) and timeframes for actions

The appropriate level of evidence or documentation will vary according to the nature of the required corrective action. For example:

- If the State agency is expected to issue policy guidance or clarification to staff, then the documentation could be a copy of the confirmation of issuance of the guidance with a cover statement that provides information on the date it was released to and discussed with staff, and a list of the recipients.
- If the State agency is expected to require the supervisory staff to sample cases to review for certain policy applications, the corrective action might be a copy of the sampling procedure, a list of cases, written statements from the staff that the sampling took place, and perhaps copies of reports addressing the results of the sampling reviews.
- If the State agency is expected to train staff on a policy or technique, the training material and a report that all targeted staff completed the training.

The reviews are closed as soon as possible so that the review does not roll into the next review. Reviews are closed based upon:

- The nature of the identified findings
- The type of corrective action(s) needed to resolve the findings
- The evidence or documentation needed to assess whether the corrective action(s) have been taken
- Whether or not on-site follow-up monitoring is needed to determine if the corrective action(s) is effective. On-site reviews may occur before and/or after reviews are closed.

The review is closed when:

- The State agency responds adequately to all corrective action(s) requested in the ME report
- There is an acceptable plan for situations in which the Required Corrective Action(s) take a substantial period of time to implement. When this occurs corrective action is monitored during subsequent reviews or through a separate reporting process.

Refer to the Program-specific review guides for the review closure letter template that indicates the information to include in the review closure letter.

## **USE OF DATA MINING TECHNOLOGY**

### General

Data mining is the search for patterns, trends, and other relationships that exist in large databases, but which are often masked by the vast quantities of data. This review tool enables one to electronically obtain and analyze the entire body of a grantee's transactions in order to identify anomalies that warrant closer inspection. In this way, the review team can select samples of grantee transactions for inspection on-site, and identify specific transactions that may reflect problems, before leaving their own office. Focusing on those transactions or data items already identified as anomalous increases the prospect of detecting problems if problems are present. This procedure thus enables the FNSRO to use scarce resources, such as staff time and travel funds, more efficiently.

### Planning

Thorough planning is critical to successfully using this tool. The review team must identify well in advance the specific datasets they will need and the period(s) of time during which the data must have been generated. This, in turn, will be driven by the review team's selection of specific analyses they will perform in order to accomplish the review's objectives. They must also build in time to resolve communication and technological glitches with the grantee.

### Obtaining the Data

Once the scope of the review has been decided and the required data identified, the FNSRO requests the grantee to furnish the data in electronic form. The request must be **very specific** regarding the dataset(s), time period(s), and date by which the FNSRO must receive the data. A grantee seeking to follow imprecise instructions may submit datasets that do not meet the review team's needs. The FNSRO should request the grantee to provide the data not later than three weeks prior to the beginning of the field work.

The FNSRO's data request should be in writing. It is usually included in the scheduling letter to the grantee. Language such as the following may be included in the scheduling letter to request the data:

"In an effort to expedite the review, we request that you provide the raw data for all your agency's transactions for Federal Fiscal Year 2008 (October 2007 through September 2008) from your automated systems. Please forward these data in time for us to receive them no later than February 9, 2009.

"What we mean by raw data is the record of the transaction and exactly how it is recorded in your database. For example, your system may capture some if not all of the following data elements pertaining to the transaction: cost, quantity, item, vendor, dates, department charged, organization charged, and project charged. Typically, these records are stored as a flat file (a length of characters and numbers). This flat record is defined in a layout that details the data fields and lengths. The raw data may be provided to FNS in any of the following electronic formats: CD-ROM or email. Additionally, a record layout must be included.

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"We will be using a software package called ACL for Windows to view and analyze your raw data without changing it. This will allow FNS to: validate mathematical calculations performed by your program staff; identify errors and omissions in your financial data; and identify exceptions. By identifying the areas in need of improvement, FNS can assist you in ensuring the information reported is accurate and complete."

#### Analyzing the Data

Examples of analyses an FNSRO might use include, but are not limited to:

1. Replicating the compilation of a financial report, such as the SF-269. Obtaining substantially the same result that the grantee had, using the same data, would strengthen the FNSRO's confidence that it could rely on reports from that grantee under that program. However, the FNSRO would still need to satisfy itself that the data themselves had been valid by inspecting supporting documentation on-site.
2. Scanning grantee purchase orders to identify those valued just below the grantee's small purchase threshold. Inspection of those purchase orders on-site may resolve questions whether the grantee had subdivided purchases in order to avoid requirements for formal advertising.
3. Testing employee data against vendor data may disclose employee-vendor relationships. Following up such cases on-site may resolve questions whether they indicated inappropriate connections with vendors which, in turn, reflected weaknesses in a grantee's internal management control over procurement.
4. Testing employee data to identify their location within the grantee organization may generate evidence that staffers whose compensation the grantee charged to the program under review did, in fact, work in that program.
5. Analyzing the age of the grantee's accounts receivable may provide evidence of the grantee's effectiveness in pursuing claims against subgrantees and other debtors. For example, such an analysis may disclose FSP recipient claims that the grantee should have referred to the Treasury Offset Program.
6. Analyzing LOC draws and grantee payments to subgrantees, vendors, and clients may disclose duplicate draws and payments.

#### Giving the Grantee Feedback

After performing the planned analyses, the FNSRO requests the grantee to make documentation supporting any questioned transactions available for inspection by the review team when the review team arrives on location.

#### Following Through on Location

The review team inspects the documentation when they arrive on location, and perform whatever additional review procedures they deem necessary to determine whether to report a finding.

## **Appendix B**

### **ELEMENTS OF A FINDING**

There are several common elements that characterize all well-developed review findings. These elements form a frame of reference for evaluating the body of information gathered by the reviewer in order to identify matters that merit inclusion in the review report. These sections may be used as guides in developing the report, but do not necessarily have to be used as headings in the body of the report. The elements of a finding are:

#### **CRITERIA**

This means consideration of "what should be." For FNS programs, "what should be" is defined by departmental and program regulations, directives, policy statements and generally accepted accounting and managerial principles.

#### **CONDITION**

This means consideration of "what is." It is the condition the review team actually found. The review team must first compare and contrast "what is" with "what should be."

#### **EFFECT**

This element refers to the significance of the difference between criteria and condition. It answers the question: "Why should management be concerned that this difference exists?" If there is a meaningful difference between what is and what should be, then there is a reportable problem.

In analyzing the effect of a condition, the review team must consider its materiality to the organization, program or activity being reviewed. An immaterial effect need not be presented in the review report; indeed, its inclusion may be perceived as hair-splitting and thus impair the review team's credibility with grantee officials. However, immaterial items should be recorded in the working papers and considered in future reviews.

#### **CAUSE**

If the effect is meaningful, then the review team must determine its cause. Only by diagnosing the cause can the review team identify suitable corrective actions. Problems can result from a number of plausible factors. Therefore, the review team needs to clearly demonstrate, and explain with applicable evidence and reasoning, the link between the problem and the factor(s) identified as the cause.

#### **REQUIRED CORRECTIVE ACTIONS**

Having identified the cause(s) of a problem, the review team's next logical step is to consider the actions that, if taken, would eliminate the problem and minimize the likelihood of its recurrence. These actions appear in the final report as required corrective actions. Required corrective actions are most constructive when they are directed at resolving the cause(s) of identified problems; are specific and action-oriented; and are addressed to the officials who need to take action. Required corrective actions also need to be feasible and cost-effective; therefore, to the extent practicable, specific required corrective actions should be developed in consultation with State agency officials who will be responsible for follow-through.

A well-developed review finding will include each of these elements. Grantee officials and other users of review reports should have no difficulty understanding what the review team found, what the team thinks of what it found, what the effect is, why it happened, and how the

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review team thinks it should be corrected.

Team leaders and supervisors responsible for review reports may find it useful to apply the following questions to the reading of each finding selected for inclusion in a report:

1. Are any elements missing? Why? What can or should be done about it? Is it a presentation defect or a symptom of review incompleteness?
2. Are elements blended in a manner that impairs clarity? Are facts indistinguishable from opinions?
3. Are the criteria unclear or unconvincing? Are they weak or unsound? Do they contain a subjective bias?
4. Has the effect been understated, exaggerated, or insufficiently quantified?
5. Is the information on cause(s) complete and thorough? Does it clearly address the "meat" of the matter?
6. Is the required corrective action too vague or too rigid? Is it punitive rather than constructive? Is it out of harmony with the cause(s)?