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Title: National Service Criminal History Checks Enforcement Procedural Guidance

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Topic: National Service Criminal History Checks

Summary: This guidance provides instructions on how to assess and document disallowance.

The contents of this document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

A. INTRODUCTION

This document supports the implementation of the [National Service Criminal History Check \(NSCHC\) Manual](#). The document is specific to the "[New](#)" NSCHC [Guide to Enforcement Action](#), effective July 1, 2019, and provides instructions on how to assess and document disallowance. Scenarios illustrate how prime grant recipients may implement NSCHC enforcement for each CNCS program.

B. KEY CHANGES TO THE NSCHC ENFORCEMENT GUIDE

I. Effective date of the updated NSCHC enforcement guide

The July 1, 2019 National Service Criminal History Check Guide to Enforcement Action (Guide) replaces the April 1, 2017 NSCHC Enforcement Guide for Staff and Grant recipients. The Guide goes into effect on July 1, 2019 for all NSCHC-related monitoring activities that commence on or after July 1, 2019. Any NSCHC related monitoring activities that started prior to July 1, 2019 will follow the disallowance structure in the [NSCHC Enforcement Guide for Staff and Grant recipients \(expires June 30, 2019\)](#).

II. Summary of key changes to NSCHC enforcement

- a. The previously issued NSCHC Mitigation Matrix has been replaced with cost-based disallowance for NSCHC noncompliance.
- b. The option to self-report noncompliance for a 50% reduction is no longer available.
- c. For CNCS monitoring officials, the file review threshold is 100% for grant recipients with fewer than 25 individuals in covered positions, and the threshold is 10% or 25 files (whichever is greater) for grant recipients with 25 or more individuals in covered positions.
- d. The threshold for expansion of scope has changed. Expansion of scope occurs if any noncompliance is detected during the file review.
- e. Beginning [January 1, 2020](#), most [alternative search procedures \(ASPs\)](#) expire. Notably, the ASP regarding ceasing accompaniment expires. As such, accompaniment will **NOT** cease until **BOTH** the state and FBI checks have been returned and the applicant is cleared to work or serve (a change from only one of the checks needing to be returned).

In most cases, costs associated with noncompliance will not exceed a six-month timeframe; however, CNCS may disallow costs for more than six months if facts and circumstances support that a different period of disallowance will further CNCS's compliance objectives. CNCS reserves the right to impose enforcement actions and remedies at its discretion in accordance with applicable laws. In instances of egregious, pervasive, systemic noncompliance of any element, CNCS reserves the right to impose all available remedial measures. CNCS may suspend or terminate a grant in response to NSCHC noncompliance.

The NSCHC requirements can be found at [45 C.F.R. § 2540.200 -.207](#) and the [CNCS Knowledge Network](#).

C. CALCULATING COST-BASED NSCHC DISALLOWANCE

- I. Grant recipients that have findings of noncompliance with NSCHC checks will disallow the following cost categories, by CNCS award type:

	Staff Salaries	Staff FICA	Staff % MSY	Member Living Allowance	Member FICA	Member % MSY	Volunteer Stipend
ASN Cost Reimbursement	✓	✓		✓	✓		
ASN Fixed Price			✓			✓	
Senior Corps: SCP & FGP	✓	✓					✓
Senior Corps: RSVP	✓	✓					
VISTA	✓	✓					

II. Determining the amount of disallowance

a. Cost Reimbursement Awards

Grant recipients should run payroll and/or accounting system report(s) to identify the total funds expended on all applicable disallowed cost categories. The time range of the reports should align with the period of noncompliance. When periods of noncompliance are less than a full pay period, disallowance calculations may use estimated daily rates, as reflected in the Fixed Price Award formula. Generally, the cost of disallowance will not exceed 6 months; however, please refer to the [NSCHC Guide to Enforcement Action](#) for more information.

b. Fixed Price Awards

For each noncompliant staff member and/or member file, a share of the cost per MSY, proportional to the period of noncompliance, must be disallowed. **The following formula is used to calculate disallowance of each noncompliant individual in a covered position:**

$$(\text{Cost/MSY} * \text{Slot Type Value}) * (\# \text{ Days Noncompliant} / 365 \text{ Days}) = \text{Total Disallowance Amount Per Individual in Covered Position}$$

Use the following table to determine the Slot Type Value*:

Slot Type	eGrants Slot Type Value
FT (Full-time)	1.00000000
TQT (Three-quarter-time)	0.70000000
HT (Half-time)	0.50000000
Reduced Half-Time (RHT)	0.38095240
QT (Quarter-time)	0.26455027
MT (Minimum-time)	0.21164022

**Important: To calculate disallowance for staff members, use the slot type value that best aligns with the actual percentage of time the staff person works on the grant.*

Additional Calculation Notes:

- Slot type values and the total noncompliant days sub-calculation should be entered in 8-decimal point figures.
- Subtotal the disallowance amounts by staff and member slot categories. Add the subtotals together to obtain the grand total disallowance amount.
- Final disallowance amounts should be rounded to the nearest dollar.
- Disallowance will be enforced once in situations where one or more components of an individual NSCHC file are noncompliant. Please see the example for sample scenarios. However, CNCS and primary grantees reserve the right to assess disallowance on multiple terms of service completed by the same member, should noncompliance be present.

c. Calculating FICA Disallowance

Organizations vary in their approach to charging FICA costs. Grant recipients should consult with their payroll and accounting administrators to determine the amount of FICA their organization charges individuals in covered positions. If applicable to the CNCS award type, obtain a report showing the total funds charged for FICA for all disallowed members and/or staff during the period applied to disallowance.

D. DOCUMENTING DISALLOWANCE

I. Findings of noncompliant NSCHC records at a sub-recipient site

When noncompliance is discovered, those monitoring must contemporaneously document the deficiency in writing. Prime grant recipients must notify CNCS of NSCHC noncompliance and provide documentation of disallowance implementation. Prime grant recipients may submit findings of noncompliance to the CNCS Office of Audit and Debt Resolution (GrantsDebtCollection@cns.gov), with a copy to the CNCS Program and Grant Officers. Prime grant recipients may submit a roster of members, indicating the noncompliant individuals in a covered position, the specific reason for noncompliance, and the disallowance amount per individual. Note that specific reasons for noncompliance are identified in the Simple Log. Member rosters must identify the component of the NSCHC that supports the reason for noncompliance. It is important to note that staff in covered positions are subject to NSCHC and prime grant recipients must submit findings of noncompliance of such staff using the NSCHC Simple Log. Supportive documentation of the calculated disallowance amount from the accounting and/or payroll systems must also be included for all records of noncompliance. When prime grant recipients identify disallowance on a sub-recipient level, documentation must be maintained within the grant records that demonstrates implementation of the enforcement action. CNCS monitoring officials will conduct reviews of how prime grant recipients implement enforcement action and document disallowance calculations. It is recommended that prime grant recipients ensure that disallowance implementation includes certification of a higher-level review. CNCS recommends documentation showing the review of 2 or more staff members of varying levels of seniority.

II. NSCHC Simple Log and Disallowance Cover Sheet

CNCS has provided enforcement tools to support the submission of findings of noncompliant NSCHC records at a sub-recipient site. For staff in covered positions, the [NSCHC Simple Log](#) should be used for findings of noncompliance, including all supporting documentation that details each noncompliant record and the reasons for noncompliance. Grant recipients should include their supporting reports from the accounting and/or payroll systems justifying each calculation of disallowance. Prime grant recipients may use the [Individual NSCHC Disallowance Form](#) to assist in documenting the details of a single noncompliant record and the total disallowance. Include documentation of matching funds, where applicable, as matching funds are held to the same requirements as federal funds and any disallowed match may not be used to support a statutory match requirement. When CNCS is made aware of disallowance that includes match, CNCS will notify grantees of the required corrective action related to these instances.

For Fixed Price Awards, please ensure there is justification documenting the calculation used to determine the proportion of MSY for the period of noncompliance. The [Quick Disallowance Calculator](#) may also support in calculating disallowance amounts.

E. COMMON QUESTIONS

I. **The Enforcement Guide identifies salary as a disallowed cost category. Is the employee responsible for paying back salaries received and, if so, is this gross income or net income?**

Under no circumstances are grant recipients permitted to require employees to reimburse the agency for any disallowed salaries. The grant recipient organization is responsible for paying disallowances to CNCS for costs associated with staff salary and stipend payments to national service members and volunteers.

II. **Are stipends paid out for holiday, vacation, or sick leave included in the disallowance?**

Yes. All stipend funds within the period of noncompliance, regardless of type or purpose, that have been paid to a noncompliant individual in a covered position are to be disallowed by CNCS.

III. **Many of our staff positions are paid for, partly or completely, out of matching funds. How is disallowance handled in this situation?**

It is the expectation that grant recipients consistently apply the enforcement of disallowance to the CNCS award, including matching funds that may have been paid for noncompliant individuals in covered positions.

IV. **The Enforcement Guide references various types of actions and remedies when noncompliance is found. What enforcement action or remedies will be applied?**

NSCHC noncompliance will result in CNCS requiring a grant recipient to use the CNCS-approved vendor with Truescreen and Fieldprint for rechecks of all NSCHCs for the remainder of the grant period. In addition, based on the issue of noncompliance, the following actions and remedies will be applied:

Nature of Noncompliance	Enforcement Action and Remedy (as applicable)
<p>Missing NSCHC component (NSOPW, State(s), and/or FBI);</p> <p>Name-based NSCHC conducted on a name other than the government-issued photo identification</p> <p>Noncompliant NSCHC source NSOPW incomplete (missing state, territory, or Indian country)</p> <p>Individuals requiring accompaniment were not accompanied as required</p>	<ul style="list-style-type: none"> • Corrective action to cure deficiency and ascertain eligibility; • Cost-based disallowance; • Accompaniment until NSCHC delinquency cured; • Manual hold review or restriction of funds pending completion of corrective action; • Required use of CNCS-approved contract with Truescreen and Fieldprint (if not already used) for rechecks of all NSCHCs and for remainder of grant period. If vendors already used, rechecks required for noncompliance other than lateness.
<p>Late NSCHC component (NSOPW, State(s), and/or FBI)</p> <p>Grant recipient did not review results and document the individual is cleared to serve (NSOPW, State(s), and/or FBI)</p>	<ul style="list-style-type: none"> • Corrective action to cure deficiency and ascertain eligibility; • Cost-based disallowance; • Required use of CNCS-approved contract with Truescreen and Fieldprint (if not already used) for rechecks of all NSCHCs and for remainder of grant period. If vendors already used, rechecks required for noncompliance other than lateness.
<p>Missing documentation of consent from the candidate to conduct State and FBI checks and share results</p> <p>Missing documentation of understanding from the candidate that the national service position is contingent upon the organization’s review of the individual’s NSCHC component results, if any</p> <p>Missing documentation that the candidate understands his or her ability to review and challenge the factual accuracy of the result before action is taken to exclude the candidate from the position</p>	<ul style="list-style-type: none"> • Corrective action to cure deficiency; • Manual hold review or restriction of funds pending completion of corrective action; • Required use of CNCS-approved contract with Truescreen and Fieldprint (if not already used) for rechecks of all NSCHCs and for remainder of grant period. If vendors already used, rechecks required for noncompliance other than lateness.

V. I monitored a subrecipient for NSCHC compliance and they did not use the CNCS approved vendors. I have found noncompliant files. Does this require the subrecipient to use the CNCS approved vendors?

Yes. All findings of NSCHC noncompliance will result in CNCS requiring the use of the CNCS-approved vendor with Truescreen and Fieldprint for rechecks of all NSCHCs for individuals in covered positions who are actively working and serving and for the remainder of the grant period.

F. SAMPLE SCENARIOS OF NSCHC DISALLOWANCE:

AMERICORPS STATE & NATIONAL COST REIMBURSEMENT

Scenario: An AmeriCorps National Direct grant recipient was awarded a \$607,680 grant, with 40 Full Time member slots, at a \$15,192 Cost per MSY. Working and serving on the grant are 50 individuals in covered positions, comprised of 10 staff and 40 members. No individuals in covered positions have access to vulnerable populations. 8 months after the start of the performance period, a CNCS monitoring official tests 25 NSCHC files.

The monitoring official found fingerprint-based FBI checks were completed on all individuals in a timely and compliant fashion. However, over half of the files tested had noncompliant NSOPW checks. The review official expanded the scope and found that 9 staff and 21 members were either missing a NSOPW check or that the checks were incomplete. Of the 9 staff members, 3 are charging 100% of their time to the grant, while 4 are charging 70% and 2 are charging 50%.

Required Disallowance for the Noncompliant Files:

- All staff salary payments and FICA for the time of noncompliance, in proportion to each staff member’s individual effort rate, and in line with actual charges.
- All member stipend payments and FICA for the period of noncompliance.
- CNCS monitoring officials issued disallowance for a 6-month period of noncompliance.

Grand Total Gross* Bi-Monthly Salary Charges	X 12 pay periods**	X Individual Effort Rate	Grand Total Bi-Monthly FICA Charges	X 12 pay periods	X Individual Effort Rate	Total Disallowance
\$426.44/staff x 3 staff = \$1,279.32	\$15,351.84	\$15,351.84 x 1.0 effort rate = \$15,351.84	\$57.63 x 3 staff = \$172.89	\$2,074.68	\$2,074.68 x 1.0 effort rate = \$2,074.68	\$17,426.52
\$639.66/staff x 4 staff = \$2,558.64	\$30,703.68	\$30,703.68 x 0.7 effort rate = \$21,492.58	\$57.63 x 4 staff = \$230.52	\$2,766.24	\$2,766.24 x 0.7 effort rate = \$1,936.37	\$23,428.95
\$1,458.33/staff x 2 staff = \$2,916.66	\$34,999.92	\$34,999.92 x 0.5 effort rate = \$17,499.96	\$57.63 x 2 staff = \$115.26	\$1,383.12	\$1,383.12 x 0.5 effort rate = \$691.56	\$18,191.52
Sub-Total Disallowance for Staff: \$59,046.99						
Gross* Bi-Monthly Member Stipend Charges	X 12 pay periods**	Grand Total Bi-Monthly FICA Charges		X 12 pay periods	Total Disallowance	
\$679.89/member x 21 members = \$14,277.69	\$171,332.28	\$52.01/member x 21 members = \$1,092.21		\$13,106.52	\$184,438.80	
Grand Total Disallowance: \$243,485.79						

*Budgeted amounts cannot be used, only actuals, which may vary by pay period.

**Assumes bi-monthly payment schedule, with average 2 pay periods per month.

Required CNCS Actions: CNCS staff will disallow costs and issue a formal notification detailing the noncompliance finding, disallowance calculations, corrective action, and instructions for resolving the disallowed costs. Until all files are compliant, staff will restrict access to funds via use of manual hold review and require the grant recipient to use the approved contracted vendors for the remainder of the grant period. Once the grant recipient is in compliance, the hold will be released.

Required Prime Grant Recipient Actions: If the grant recipient is not using the CNCS-approved vendors, it must use the CNCS-approved contract with Truescreen and Fieldprint for rechecks of all

NSCHCs for individuals in covered positions (compliant or noncompliant) currently working or serving and for the remainder of the grant period. If vendors were already used, rechecks are required for noncompliance other than lateness. The grant recipient must provide notification that all NSCHCs are conducted in Truescreen and Fieldprint to CNCS in order to release the manual hold review of payment requests. The grant recipient will receive formal notification from CNCS detailing the noncompliance finding, disallowance calculations, corrective action, and options for resolving disallowed costs. CNCS will provide points of contact within the notification in order to coordinate the resolution of the NSCHC noncompliance.

For Cases of Sub-recipient Noncompliance: Prime grant recipients must calculate sub-recipient disallowance and submit the disallowance calculation and all supporting materials to CNCS, as outlined in Section D, Item II of this document.

AMERICORPS STATE & NATIONAL FIXED PRICE

Overview: On a Full-time Fixed Grant of 560 members and 20 staff, noncompliance was found in the files of 182 unique, covered individuals. The grant is 4 months or 120 days into its period of performance. Members and staff have access to vulnerable populations. The grantee did not use the CNCS-approved vendors to complete NSCHC process.

Additional Grant Facts

- Total Award: \$629,955
 - Total Approved Cost/MSY: \$3,651.70
 - Total Approved MSY: 172.51
 - Approved Member Slots: 5 FT, 125 HT, 58 RHT, 79 QT, 293 MT (560 members total)

Summary of Noncompliance

NSOPW Checks:

NSOPW checks were run and adjudicated 1 day late for an entire cohort of 60 MT members. The members had served 1 full day in an 8-hour orientation prior to their NSOPWs being run and adjudicated. Grantee staff explained that the NSOPW website was down when they attempted to run and adjudicate the checks.

In addition, the checks of 1 FT member, 2 HT members, 1 RHT member, 2 QT and 2 MT members were run on names other than what was reflected on the individual's government-issued photo identification. The files for these individuals were otherwise compliant, except for the 2 MT members whose NSOPWs were run 1 day late. Grantee staff explained that these were simple, clerical errors.

FBI Fingerprint Checks:

No adjudication documentation exists for 4 staff serving full time on the grant and 3 FT members, and checks were not completed for 28 HT members, 32 RHT members and 14 QT members. Apart from these issues, the files of all of these members and staff were otherwise compliant. Staff explained that the person who normally conducts the NSCHC checks was on a leave of absence

when a new cohort of members started, so someone less familiar with NSCHC compliance had to manage the process.

State Checks:

The proper state repositories were not used to complete the checks of 3 FT members, 9 HT members, 12 RHT members, 4 QT members and 7 MT members. The files of the 3 FT and 9 HT members were already noncompliant due to issues with the FBI Fingerprint checks. The files of the 12 RHT, 4 QT and 7 MT members were otherwise compliant.

Accompaniment:

No documentation of accompaniment exists for 12 HT members whose files were otherwise compliant. Accompaniment should have been provided during a period of 2 weeks or 14 calendar days.

Sample Scenario Tracking Table - # Unique Noncompliant Files:

Grant Role	Total Instances Noncompliance	# Unique Noncompliant Files
Grantee Staff	4	4
Full Time (FT) Member	7	4
Three Quarter Time (TQT) Member	0	0
Half Time (HT) Member	51	42
Reduced Half Time (RHT) Member	45	45
Quarter Time (QT) Member	20	20
Minimum Time (MT) Member	69	67
Grand Total	196	182

Sample Scenario Disallowance Calculations

Staff Disallowance Calculations: 4 Unique People

1. $(\text{Cost/MSY} * \text{Slot Type Value}) * (\# \text{ Days Noncompliant} / 365 \text{ Days}) = \text{Total Disallowance Amount per Person}$
 2. $(\$3,651.70 \text{ Cost/MSY} * 1.0 \text{ Slot Type Value}) * (120 \text{ Days Noncompliant} / 365 \text{ Days})$
 3. $\$3,651.70 * 0.32876712 = \$1,200.56 \text{ per Staff Disallowance}$
 4. $\$1,200.56 \text{ per Staff Disallowance} * 4 \text{ Noncompliant Staff} = \$4,802.24$
- Note: All 4 staff serve full time on the grant, so the 100% slot type value or "1.0" should be used.*

Subtotal: \$4,802.24 Staff Disallowance Amount

Full Time Member Disallowance Calculations: 4 Unique People

1. $(\text{Cost/MSY} * \text{Slot Type Value}) * (\# \text{ Days Noncompliant} / 365 \text{ Days}) = \text{Total Disallowance Amount per Person}$
2. $(\$3,651.70 \text{ Cost/MSY} * 1.0 \text{ Slot Type Value}) * (120 \text{ Days Noncompliant} / 365 \text{ Days})$
3. $\$3,651.70 * 0.32876712 = \$1,200.56 \text{ per Member Disallowance}$
4. $\$1,200.56 \text{ per Member Disallowance} * 4 \text{ Noncompliant Full Time Members} = \$4,802.24$

Subtotal: \$4,802.24 Full Time Member Disallowance Amount

Half Time Member Disallowance Calculations: 42 Unique People

For Members with 14 Days (2 Weeks) of Disallowance:

1. $(\text{Cost/MSY} * \text{Slot Type Value}) * (\# \text{ Days Noncompliant} / 365 \text{ Days}) = \text{Total Disallowance Amount per Person}$
2. $(\$3,651.70 \text{ Cost/MSY} * 0.50000000 \text{ Slot Type Value}) * (14 \text{ Days Noncompliant} / 365 \text{ Days})$
3. $\$1,825.85 * 0.03835616 = \$70.03 \text{ per Member Disallowance}$
4. $\$70.03 \text{ per Member Disallowance} * 12 \text{ Noncompliant Half Time Members} = \840.36

For Members with 4 Months of Disallowance:

1. $(\text{Cost/MSY} * \text{Slot Type Value}) * (\# \text{ Days Noncompliant} / 365 \text{ Days}) = \text{Total Disallowance Amount per Person}$
2. $(\$3,651.70 \text{ Cost/MSY} * 0.50000000 \text{ Slot Type Value}) * (120 \text{ Days Noncompliant} / 365 \text{ Days})$
3. $\$1,825.85 * 0.32876712 = \$600.28 \text{ per Member Disallowance}$
4. $\$600.28 \text{ per Member Disallowance} * 30 \text{ Noncompliant Half Time Members} = \$18,008.40$

Subtotal: \$18,848.76 Half Time Member Disallowance Amount

Reduced Half Time Member Disallowance: 45 Unique People

1. $(\text{Cost/MSY} * \text{Slot Type Value}) * (\# \text{ Days Noncompliant} / 365 \text{ Days}) = \text{Total Disallowance Amount per Person}$
2. $(\$3,651.70 \text{ Cost/MSY} * 0.38095240 \text{ Slot Type Value}) * (120 \text{ Days Noncompliant} / 365 \text{ Days})$
3. $\$1,391.12 * 0.32876712 = \$457.35 \text{ per Member Disallowance}$
4. $\$457.35 \text{ per Member Disallowance} * 45 \text{ Noncompliant Reduced Half Time Members} = \$20,580.75$

Subtotal: \$20,580.75 Reduced Half Time Member Disallowance Amount

Quarter Time Member Disallowance: 20 Unique People

1. $(\text{Cost/MSY} * \text{Slot Type Value}) * (\# \text{ Days Noncompliant} / 365 \text{ Days}) = \text{Total Disallowance Amount per Person}$
2. $(\$3,651.70 \text{ Cost/MSY} * 0.26455027 \text{ Slot Type Value}) * (90 \text{ Days Noncompliant} / 365 \text{ Days})$
3. $\$966.06 * 0.24657534 = \$238.21 \text{ per Member Disallowance}$
4. $\$238.21 \text{ per Member Disallowance} * 20 \text{ Noncompliant Quarter Time Members} = \$4,764.20$

Subtotal: \$4,764.20 Quarter Time Member Disallowance Amount

Minimum Time Member Disallowance: 67 Unique People

For Members with 1 Day of Disallowance:

1. $(\text{Cost/MSY} * \text{Slot Type Value}) * (\# \text{ Days Noncompliant} / 365 \text{ Days}) = \text{Total Disallowance Amount per Person}$
2. $(\$3,651.70 \text{ Cost/MSY} * 0.21164022 \text{ Slot Type Value}) * (1 \text{ Day Noncompliant} / 365 \text{ Days})$
3. $\$772.85 * 0.00273973 = \$2.12 \text{ per Member Disallowance}$
4. $\$2.12 \text{ per Member Disallowance} * 60 \text{ Noncompliant Minimum Time Members} = \127.20

For Members with 2 Months of Disallowance:

1. $(\text{Cost/MSY} * \text{Slot Type Value}) * (\# \text{ Days Noncompliant} / 365 \text{ Days}) = \text{Total Disallowance Amount per Person}$
2. $(\$3,651.70 \text{ Cost/MSY} * 0.21164022 \text{ Slot Type Value}) * (60 \text{ Days Noncompliant} / 365 \text{ Days})$
3. $\$772.85 * 0.16438356 = \$127.04 \text{ per Member Disallowance}$
4. $\$127.04 \text{ per Staff Disallowance} * 7 \text{ Noncompliant Minimum Time Members} = \889.28

Subtotal: \$1,016.48 Minimum Time Member Disallowance Amount

Required CNCS Actions: CNCS staff will disallow costs and issue a formal notification detailing the noncompliance finding, disallowance calculations, corrective action, and instructions for resolving the disallowed costs. Until all files are compliant, staff will restrict access to funds via use of manual hold review, and require the grant recipient to use the approved contracted vendors for the remainder of the grant period. Once the grant recipient is in compliance, the hold will be released.

Required Grant Recipient Actions: Since the grant recipient is not using the CNCS-approved vendors, it must use the CNCS-approved contract with Truescreen and Fieldprint for rechecks of all NSCHCs for individuals in covered positions (compliant or noncompliant) currently working or serving and for the remainder of the grant period. The grant recipient must provide notification that all NSCHCs are conducted in Truescreen and Fieldprint to CNCS in order to release the manual hold review of payment requests. The grant recipient will receive formal notification from CNCS detailing the noncompliance finding, disallowance calculations, corrective action, and options for resolving disallowed costs. CNCS will provide points of contact within the notification in order to coordinate the resolution of the NSCHC noncompliance.

For Cases of Sub-recipient Noncompliance: Prime grant recipients must calculate sub-recipient disallowance and submit the disallowance calculation and supporting materials to CNCS, as outlined in Section D, Item II of this document.

SENIOR CORPS

Scenario: CNCS monitoring officials monitored a Senior Companion Program (SCP) grant whose Project Director was charging 85% of his time to the grant. During the NSCHC review they found that the SCP director's NSOPW was run using "Ben" instead of "Benjamin" as noted on his government-issued photo identification. However, one month later the organization re-ran the NSOPW using the correct name "Benjamin."

The review officials also found one SCP volunteer had late a NSOPW check due to it being run at the end of the first day of orientation, and one volunteer had no documentation of accompaniment while their FBI and State checks were pending. That volunteer served seven months before the cleared checks came back.

Required Disallowance:

- SCP Project Director (PD): 85% of salary and FICA for one month, in line with actual charges.
- SCP Volunteer with Late NSOPW: Stipend paid for one day of orientation.
- SCP volunteer with No Documented Accompaniment: Stipend payments from start date to date of adjudicated checks.
- CNCS monitoring officials calculated six months for the period of disallowance, per NSCHC Enforcement Guide.

Staff	Gross* Bi-Monthly Salary Charges	X 2 pay periods**	X 85% Effort	Bi- Monthly FICA Charges	X 2 pay periods	X 85% Effort	Total Disallowance for 1 Staff Member @ 85% Effort
SCP PD	\$450.12	\$900.24	\$765.20	\$34.43	\$68.86	\$58.53	\$823.73
Volunteers							Total Disallowance for 2 Members
Volunteer #1	\$2.65	Total hours for orientation: 6					\$15.90
Volunteer #2	\$2.65	Total hours for 6 months of service: 402					\$1,065.30
Total Disallowance Amount:							\$1,904.93

*Budgeted amounts cannot be used, only actuals, which may vary by pay period.

**Assumes bi-monthly payment schedule, with average 2 pay periods per month.

Required CNCS Actions: CNCS staff will disallow costs and issue a formal notification detailing the noncompliance finding, disallowance calculations, corrective action, and instructions for resolving the disallowed costs. Until all files are compliant, staff will restrict access to funds via use of manual hold review, and require the grant recipient to use the approved contracted vendors for the remainder of the grant period. Once the grant recipient is in compliance, the hold will be released.

Required Grant Recipient Actions: If the grant recipient is not using the CNCS-approved vendors, it must use the CNCS-approved contract with Truescreen and Fieldprint for rechecks of all NSCHCs for individuals in covered positions (compliant or noncompliant) currently working or serving and for the remainder of the grant period. If vendors were already used, rechecks are required for noncompliance other than lateness. The grant recipient must provide notification that all NSCHCs are conducted in Truescreen and Fieldprint to CNCS in order to release the manual hold review of payment requests. The grant recipient will receive formal notification from CNCS detailing the noncompliance finding, disallowance calculations, corrective action, and options for resolving disallowed costs. CNCS will provide points of contact within the notification in order to coordinate the resolution of the NSCHC noncompliance.

VISTA PROGRAM AND SUPPORT GRANTS

Scenario: CNCS review officials monitored a VISTA Program grant. The review officials found that the organization failed to perform any of the required NSCHC for the VISTA project director who charges 100% of her time to the VISTA grant. She has been working on the grant for two years.

Required Disallowance: VISTA Project director salary and FICA. Since the organization failed to perform any of the required checks, CNCS monitoring officials calculated disallowance for 6-months of the two years of salary and FICA that was expended.

Staff	Gross* Bi-Monthly Salary	X 12 pay periods**	Bi-Monthly FICA Charges	X 12 pay periods	Total Disallowance
VISTA PD	\$560.62	\$6,727.44	\$42.89	\$514.68	\$7,242.12

**Budgeted amounts cannot be used, only actuals, which may vary by pay period.*

***Assumes bi-monthly payment schedule, with average 2 pay periods per month and 24 pay periods per year.*

Required CNCS Actions: CNCS staff will disallow costs and issue a formal notification detailing the noncompliance finding, disallowance calculations, corrective action, and instructions for resolving the disallowed costs. Until all files are compliant, staff will restrict access to funds via use of manual hold review and require the grant recipient to use the approved contracted vendors for the remainder of the grant period. Once the grant recipient is in compliance, the hold will be released.

Required Grant Recipient Actions: If the grant recipient is not using the CNCS approved vendors, it must use the CNCS-approved contract with Truescreen and Fieldprint for rechecks of all NSCHCs for individuals in covered positions (compliant or noncompliant) currently working or serving and for the remainder of the grant period. If vendors were already used, rechecks are required for noncompliance other than lateness. The grant recipient must provide notification that all NSCHCs are conducted in Truescreen and Fieldprint to CNCS in order to release the manual hold review of payment requests. The grant recipient will receive formal notification from CNCS detailing the noncompliance finding, disallowance calculations, corrective action, and options for resolving disallowed costs. CNCS will provide points of contact within the notification in order to coordinate the resolution of the NSCHC noncompliance.

G. LINKS TO ADDITIONAL RESOURCES FOR NSCHC ENFORCEMENT

- I. [Revised NSCHC Simple Log](#)
This resource can be used to document noncompliance, by individual, including specific information indicating the NSCHC component(s) that were out of compliance.
- II. [Revised Quick Disallowance Calculator](#)
This resource can be used to summarize total disallowance amounts by cost category, in support of the grand total disallowance amount. This is especially helpful in cases where there is disallowance on multiple grants.
- III. [Individual NSCHC Disallowance Form \(formerly referenced as NSCHC Print Form\)](#)
This resource can be used by grant recipients who prefer to maintain paper records to document disallowance, by individual.
- IV. [Manual for Conducting NSCHCs Using Truescreen and Fieldprint](#)
This process guide explains how the CNCS-approved vendors may be used to conduct NSCHC checks. A step-by-step checklist is included to help grant recipients document the NSCHC process.
 - [Check Your Check Training](#): Ensuring Compliance with Truescreen and Fieldprint