Audit & Quality Control Scorecard: Macro Grant Compliance & Funder Defense

Target Workflow: Quarterly Grant Report Audit-Proofing, IRS Lobbying Separation, and De-Identification
Designed for: Macro Social Work Program Directors, Nonprofit Grant Coordinators, and Compliance Officers

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Rapid Implementation Brief

Deploy this quality control scorecard two weeks prior to submitting quarterly grant deliverables or opening records to funder monitoring visits. It provides an immediate, audit-tested verification protocol to ensure all client data is properly de-identified, lobbying activities remain strictly firewalled from grant funds, and every reported metric traces back to verifiable system logs.

Section 1: IRS Activity Classification & Funding Allocation Matrix

Federal regulations and IRS Section 501(c)(3) rules prohibit the use of restricted charitable grant funds for direct or grassroots lobbying. Use this matrix to classify every logged staff interaction before aggregating totals into funder deliverables.

Staff Activity Description	IRS Classification	Allowable on Restricted Grants?	Defensible Reporting Phrasing
Publishing Community Barrier Data	Public Education	**YES** (100% Billable)	"Analyzed and published aggregate demographic trends regarding municipal shelter denials across 400 client intakes."
Facilitating Know-Your-Rights Clinics	Nonpartisan Civic Education	**YES** (100% Billable)	"Facilitated educational workshop on tenant rights and

Staff Activity Description	IRS Classification	Allowable on Restricted Grants?	Defensible Reporting Phrasing
			statutory administrative hearing procedures for 45 community residents."
Nonpartisan Voter Registration	Civic Engagement	**YES** (100% Billable)	"Conducted nonpartisan voter registration drive at community resource center, assisting 62 eligible individuals."
Analyzing Proposed Legislation	Technical Analysis	**YES** (If requested in writing)	"Provided written objective analysis of statutory language in Draft Bill 204 regarding behavioral health funding distribution."
Urging Lawmakers on Specific Bills	Direct Lobbying	**NO** (Unrestricted Funds Only)	"Met with legislative staff to urge support for Senate Bill 14. Billed exclusively to unrestricted organizational revenue."
Call-to-Action to Pressure Lawmakers	Grassroots Lobbying	**NO** (Unrestricted Funds Only)	"Distributed public action alert urging constituents to call committee members on House Bill 42. Billed to unrestricted funds."

⚠️ **Legal Compliance Caveat:** Any activity classified as direct or grassroots lobbying must be segregated into unrestricted internal ledger accounts at the moment of entry.

Never aggregate lobbying hours into public grant progress reports without explicit written authorization from a non-charitable funding agreement.

Section 2: Constituent Data Privacy & De-Identification Checklist

Macro grant reports frequently require qualitative case vignettes to illustrate community impact. However, federal HIPAA rules and the NASW Code of Ethics require complete redaction of all personal identifiers before external submission.

Privacy Verification Item	Compliance Requirement	Status
Direct Identifiers Removed	Names, exact street addresses, telephone numbers, and email addresses are permanently deleted.	[ ] Pass [ ] Fail
Dates Generalized	Birthdates, intake dates, and discharge dates are converted to age ranges or general quarters (e.g., "Q2 2024").	[ ] Pass [ ] Fail
Geographic Boundaries Masked	Sub-county geographic units smaller than 20,000 residents are aggregated to county or regional levels.	[ ] Pass [ ] Fail
Contextual Details Anonymized	Unique employer names, specific family composition details, or identifiable court case numbers are removed.	[ ] Pass [ ] Fail
Consent & Release on File	If an individual narrative is quoted directly, a signed organizational release form is verified in the client record.	[ ] Pass [ ] Fail

💡 **Clinical Efficiency Pro-Tip:** Do not rely on manual text redaction tools like black highlighter boxes in PDF viewers. Generate qualitative summaries through automated

de-identification filters in your case management software to strip database identifiers before exporting drafts.

Section 3: Weighted Grant Deliverable Quality Scorecard

Score your quarterly deliverable across the four performance domains below. Reports scoring below 85 points require immediate administrative remediation prior to funder submission.

Evaluation Domain	Weight	Operational Audit Standard	Score (0–25)
1. Funding Stream Integrity	25%	All staff hours are clearly categorized. Zero lobbying hours appear on restricted grants. Time logs match organizational payroll allocations with zero variance.	_____ / 25
2. Metric Traceability	25%	Every reported number (e.g., "120 community members trained") links directly to verifiable, timestamped intake logs and attendance sheets in the database.	_____ / 25
3. Privacy & Ethics Protocols	25%	All case vignettes meet 100% de-identification thresholds. No protected health information (PHI) or personally identifiable information (PII) is exposed.	_____ / 25

Evaluation Domain	Weight	Operational Audit Standard	Score (0–25)
4. Deliverable Pacing & Accuracy	25%	Progress metrics accurately reflect the contract scope of work. Targets match or exceed planned quarterly milestone projections. Variances are explained.	_____ / 25
TOTAL COMPLIANCE SCORE	**100%**	**Minimum Passing Threshold: 85 Points**	**_____ / 100**

Compliance Thresholds & Remediation Action

- **90 to 100 Points (Audit-Proof):** Report is approved for executive sign-off and funder transmission.
- **85 to 89 Points (Remediable Variance):** Minor documentation gaps detected (e.g., missing attendance rosters or ambiguous activity descriptions). Correct within 48 hours and re-score.
- **Below 85 Points (Critical Non-Compliance):** Substantial audit failure risk (e.g., mixed lobbying hours, missing client releases, unverified aggregate counts). Immediate supervisor escalation required. Do not submit to grantmaker.

Section 4: Supervisory Review & Audit Sign-Off

Reporting Period: Quarter: [ ] Q1 [ ] Q2 [ ] Q3 [ ] Q4 | Fiscal Year: 20_____
Grant Agreement Number: _____
Funding Agency / Foundation: _____
Primary Program Director: _____

Compliance Attestation:
I verify that I have reviewed the supporting activity logs, intake entries, and financial ledgers underlying this grant deliverable. All reported data has been audited against original system records. Restricted grant allocations strictly exclude direct and grassroots lobbying, and all qualitative materials adhere to mandatory confidentiality protocols.

Lead Grant Reviewer Signature: _____ Date: _____

Executive Director / QA Officer Signature: _____ Date: _____
