

CDBG

Monitoring: selection of subrecipient agencies and monitoring process

POLICIES

1. The tone of the monitoring should be positive to maintain effective partnerships.
2. Sanctions will be imposed for noncompliance by subrecipients and these sanctions will be specified in the Agreement.
3. At least 1/3 of subrecipients shall be monitored each program year including City agencies that deliver funded activities.
4. Monitor agencies with multi-year funding at least one time every 2 years.
5. Use Risk Analysis to identify the activities/projects that will be monitored and document why activities that are exceptions to the Risk Analysis will be monitored.
6. Establish a Monitoring File on a program year basis and place duplicate monitoring documentation in the official bound project files.
7. Conduct team monitoring. At a minimum the monitoring team shall consist of the City's project manager, the City employee most responsible for the Consolidated Planning program, and one employee to take notes. Employees of the Department of Finance and the Department of Law shall be invited to be part of the monitoring team, as needed.
8. Adequate written advance notice of the initial monitoring visit shall be given to subrecipients. Follow-up monitoring visits shall require no notice except that the subrecipient must be notified, in writing, that follow-up visits may be made by the City.
9. Monitoring shall be conducted on a standardized basis taking into account differences in activities and subrecipients.
10. All conclusions of the monitoring shall be based only on the facts of the field notes made at the time of the monitoring visit.
11. A standardized written summary of the monitoring visit (including findings and concerns, and a request for corrective measures) shall be distributed to monitored subrecipients on a timely basis.
12. The monitoring process is considered complete only after an identified deficiency has been corrected, the corrected action produces improvements, and it is determined that no further oversight is needed.

PROCEDURES

1. On October 1st of every year review the list of consolidated plan funded activities for the current program year to identify agencies that should be monitored using the following Risk assessment targeting guidelines:
 - a) subrecipients which have been allocated larger than average awards
 - b) subrecipients which have had compliance deficiencies or have had to implement corrective measures in the past 2 years
 - c) subrecipients which have been awarded their first ConsPlan allocation
 - d) subrecipients which are expected to have complicated compliance needs

- e) subrecipients which have not been monitored for at least 3 years
2. List these subrecipients on an Excel spreadsheet
3. Add additional subrecipients to the spreadsheet such that the total number of subrecipients that will be monitored will be at least one-third of the total number of funded subrecipients for the program year
4. Update the spreadsheet at least weekly to record dates of all correspondence and actions taken related to monitoring of ConsPlan subrecipients
5. Prepare a tentative schedule of subrecipient visits such that no subrecipient shall receive less than 10 working days notice of the monitoring visit
6. Establish a calendar of monitoring visits
7. Inform the subrecipients in writing of the monitoring visit appointment at least 10 working days prior to the monitoring visit advising them of the projected monitoring date and listing specific issues or documentation that will be reviewed as part of the monitoring process. Monitoring dates should be scheduled for November and March and May.
8. File a copy of the confirmation letter and mailing list in the monitoring master file and a copy of the confirmation letter in the project file.
9. At least two days prior to the date of the monitoring visit confirm the appointment by phone.
10. Conduct a meeting of the monitoring team to identify performance concerns of the subrecipient and to review the pertinent monitoring issues including:
 - a) review of project file
 - b) review of program requirements
 - c) attendance of clients if payment is based on attendance
 - d) income eligibility of clients
 - e) A122 after-the-fact documentation of employee time reporting
 - f) general eligibility of program/project being monitored
 - g) develop the monitoring plan for the specific subrecipient
11. Conduct the team monitoring visit including:
 - a) entrance conference
 - b) review of files and documentation
 - c) interview(s) with subrecipient staff
 - d) physical inspections if necessary
 - e) exit conference
12. Immediately upon completion of the monitoring visit the monitoring team shall meet to flesh out notes taken during the monitoring visit
13. Within 10 business days after the monitoring visit submit a summary of findings and concerns to the monitored subrecipient and if there are concerns or findings require the subrecipient to submit a corrective action plan within 30 days and place a copy of the letter to the subrecipient in the bound project file
14. If there are one or more findings review the agency's Corrective Action Plan
 - a) If the corrective action plan is responsive and acceptable send written confirmation of same to the subrecipient and place a copy of this letter in the bound project file
 - b) If the corrective action plan is not responsive or acceptable so advise the subrecipient and identify acceptable corrective actions in writing. Place

copies of all written correspondence and a copy of the corrective action plan in the bound project file

15. If there are no findings send written confirmation of same to the subrecipient and place a copy of the letter in the bound project file
16. If the monitored subrecipient does not submit a corrective action plan within 30 days after the date of the monitoring letter immediately remind the subrecipient, in writing, of the need for a corrective action plan and notify the subrecipient that all payments will be suspended until compliance is achieved.
17. If the monitored subrecipient refuses to comply with City directives within 60 days immediately notify the subrecipient, in writing, of the termination of the agreement related to the monitored activity.
18. Establish a master file for monitoring activities on a program year basis and place the following documents in the master file:
 - a) Copy of the sample letter and list of monitored subrecipients
 - b) Sample letters if follow-up is needed
 - c) Excel spreadsheet as a summary of the status
 - d) One copy of corrective action plan from every agency having to submit one
 - e) One copy of all correspondence to and from the agency relating to corrective actions needed and satisfied
 - f) One copy of the documentation of follow-up actions by the City to insure corrective measures have been implemented
 - g) A copy of the field notes made at the time of the monitoring visit
19. On the control sheet for the monitored activity note whether or not corrective actions need to be monitored for the balance of the program year or if termination of the agreement was required.
20. If there are corrective actions that must be tracked for compliance monitoring the project coordinator/subrecipient liaison shall as part of the act of signing vendors claims confirm that the corrective measures have been implemented by the subrecipient
21. At the beginning of the next program year review the master file in #17 for the previous year to identify continuing projects by subrecipients and place a copy of the previous year's corrective action plan in the new year's project file.
22. Note on the project control sheet for the continuing project whether ongoing monitoring of corrective actions is needed for the new program year.