



## **OFFICE OF HOUSING and COMMUNITY DEVELOPMENT**

### **MONITORING PLAN**

#### **OVERVIEW**

Community Development Block Grant Subrecipients are responsible for planning and carrying out projects in accordance with the rules and regulations of federal law as specified in their contract with Nassau County. The Office of Community Development (OHCD) staff has the responsibility to ensure that subrecipients are carrying out their projects in accordance with these applicable laws, regulations and performance measures. Emphasis is placed on programmatic on-site and desk monitoring for all consortium members and subrecipients undertaking eligible CDBG projects. Each program year, funded activities will undergo risk analysis and monitoring determination.

In order for Nassau County OHCD to comply with its monitoring responsibilities of subrecipient projects funded under Title I of the Housing and Community Development Act of 1974, as amended, the following Monitoring Plan will be utilized.

#### **MONITORING OBJECTIVES**

Monitoring Plan objectives are to ensure that subrecipients:

- Comply with all regulations governing their administrative, financial, and programmatic operations,
- Achieve their performance objectives within schedule and budget.
- Carryout their CDBG project as described in their contract and have kept organized documentation to support all actions and national objective compliance,
- Charge costs to the program or project that are eligible under CDBG program,
- Conduct the program in a manner which minimizes the opportunity for fraud, waste and mismanagement,
- Have a continuing capacity to carry out the approved program or project.

Nassau County OHCD will carry out the statutorily mandated responsibility to review Subrecipient performance as cited in the CDBG regulations at 24 CFR 570.501 (b):

*The recipient is responsible for ensuring that CDBG funds are used in accordance with all program requirements. The use of designated public agencies, subrecipients, or contractors does not relieve the recipient of this responsibility. The recipient is also responsible for determining the adequacy of performance under subrecipient agreements and procurement contracts, and, for taking appropriate action when performance problems arise, such as the actions described in §570.910...*

Subpart J of 24 CFR Part 85 "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments" is more explicit about monitoring Subrecipients:

*Grantees are responsible for managing the day-to-day operations of grant and subgrant supported activities. Grantees must monitor...subgrant supported activities to assure compliance with applicable Federal requirements and performance goals are being achieved. Grantee monitoring must cover each program, function, or activity.*

## **MONITORING GUIDELINES**

In order to achieve the monitoring objectives, Nassau County OHCD staff maintains frequent contact with subrecipients. In addition to monitoring, full consortium meetings are held on twice yearly basis in order to cover administrative, financial and programmatic requirements. Furthermore, one-on-one meetings are periodically scheduled with each consortium member in accordance with need.

Each program year projects are chosen for on-site monitoring visits. The Program Development Supervisor and Community Development Representative for each consortium member and subrecipient meet to determine which projects will be monitored.

Records of monitoring will be held at the Nassau County Office of Community Development on a program year basis.

## **MONITORING POLICIES**

1. The tone of the monitoring should be positive to maintain effective partnerships.
2. The monitoring system is not designed as a means of levying sanctions on grant recipients, but rather to identify concerns and then to assist the subrecipient to solve the problem and complete the project in accordance with all program requirements. If the problem cannot be resolved and there are disallowed costs, funds will need to be repaid to the County.
3. Sanctions will be imposed for noncompliance by subrecipients and these sanctions will be specified.
4. Establish a Monitoring File on a program year basis.
5. More thorough team monitoring may be conducted for larger communities and/or if past problems warrant it. A monitoring team may include the community development representative, supervisor, and a representative from the budget or legal department.
6. Adequate written advance notice of the initial monitoring visit shall be given to subrecipients. Follow-up monitoring visits will be scheduled on an as needed basis.
7. Monitoring shall be conducted on a standardized basis taking into account differences in activities and subrecipients.
8. All conclusions of the monitoring shall be based only on the facts of the field notes made at the time of the monitoring visit.
9. 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.
10. 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.

## **MONITORING PROCEDURES**

### **Progress Monitoring**

Progress monitoring is an ongoing process of reviewing subrecipient performance during the project using all available supporting documentation.

The OHCD staff will review:

- All RFF's and corresponding invoices.
- Staff may request additional records from the subrecipient at any time if they feel the documentation is inadequate.

### **On Site Monitoring**

On-site monitoring visits will be conducted in accordance with the accordance with the projects chosen to be monitored. NC OHCD will contact the subrecipient to schedule a mutually agreeable appointment. More frequent on-site monitoring visits may be necessary if the project is particularly complex or the subrecipient has had management problems in the past. OHCD will send a monitoring checklist to the subrecipient so they can ensure all the required paperwork is available for review.

1. Programmatic monitoring focuses primarily on two aspects of the CDBG program: project progress and program benefits in the following areas:
  - National objective compliance and record keeping;
  - General organization of files;
  - Financial and general grant management;
  - Environmental compliance;
  - Public participation and complaint procedures;
  - Labor standards compliance documentation;
  - Civil rights, benefits to minority persons;
  - Construction contracts; and
  - Property acquisition/relocation or displacement.
2. Financial monitoring will focus on the following areas;
  - Does the subrecipient have an accounting system with the capacity to maintain all records?
  - Has the subrecipient established a system of internal controls to eliminate potential fraud and abuse?
  - Does the subrecipient have adequate expenditure documentation?

The following will take place once subrecipients have been identified for monitoring:

1. Create file folders for each subrecipient and project that will be monitored. These files shall be kept by program year in an assigned file drawer. All correspondence and documentation will be placed in these files.
2. Prepare schedule of subrecipient visits such that no subrecipient shall receive less than 10 working days notice of the formal monitoring visit.
3. Inform the subrecipient in writing of the monitoring visit at least 10 working days prior to the visit and listing the specific issues and documentation that will

be reviewed as part of the monitoring process. The subrecipient shall receive the appropriate monitoring checklist.

4. At least two days prior to the date of the monitoring visit, confirm the appointment by phone.
5. If applicable, conduct a meeting of the monitoring team to identify performance concerns and review the pertinent monitoring issues.
6. Immediately upon completion of the monitoring visit, the monitoring team shall meet to flesh out notes taken during visit.
7. On or about 30 business days after the monitoring visit submit a summary of findings and concerns to the monitored subrecipient and require the subrecipient to submit a corrective action plan within 30 days. If the corrective action plan is responsive and acceptable, send written confirmation of same to subrecipient.
8. If corrective action plan is not responsive or acceptable so advise the subrecipient and identify acceptable corrective actions in writing.
9. If subrecipient does not submit a corrective action plan within 30 days, immediately remind the subrecipient in writing or via telephone until compliance is achieved. If the monitored subrecipient refuses to comply within 60 days immediately notify them in writing of the termination of the agreement related to monitored activity.
10. If there are no findings or concerns, send written confirmation of same.

### **Unscheduled On Site Visits**

Several actions or events may “trigger” and unscheduled monitoring visit:

- Complaints received by OHCD indicating poor management;
- Failure to submit a progress report or financial status report;
- Indicators of fraud or abuse;
- Financial mismanagement;
- Lack of project progress;
- Repeated breaching of any contractual provision after prior notice from OHCD to comply; and
- Request for visit to provide assistance.
- All emergency site visits are fully documented in accordance with regular site visits.

### **Monitoring Checklists**

Monitoring checklists to be utilized for monitoring visits can be found at:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/administration/hudclips/handbooks/cpd/6509.2](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/cpd/6509.2)