



## Community Shelter Board (CSB)

### Program Review & Certification (PR&C)

#### Monitoring Frequently Asked Questions (FAQ)

##### 1. What is the purpose of monitoring?

Monitoring ensures compliance with HUD regulations (24 CFR Part 200, 576, and 578), verifies appropriate use of funds, and supports continuous program improvement. CSB uses a risk-informed monitoring approach that includes desk and on-site reviews.

##### 2. What documentation is typically requested during monitoring?

Documentation may include invoices, payroll records, timesheets, leases, rent reasonableness determinations, inspections, lead-based paint documentation, and HMIS data. All documentation must be complete, accurate, and aligned with reported costs.

##### 3. How quickly must agencies respond to monitoring requests?

Agencies are expected to submit requested documentation within 14 calendar days. If additional time is needed, agencies should communicate with CSB as soon as possible.

##### 4. What are common monitoring findings?

Common findings include costs outside the grant period, improper indirect cost application, unallowable expenses such as sales tax or gift cards, incomplete payroll documentation, incorrect expense allocation, and missing supporting documentation.

##### 5. What costs are unallowable?

Unallowable costs include sales tax, certain client incentives, and miscellaneous items not approved under HUD regulations. Agencies should reference HUD eligible cost guidance and CSB resources before charging expenses.

##### 6. What are requirements for payroll documentation?

Payroll must be supported by timesheets, paystubs, and payroll reports. Timesheets must reflect actual hours worked by activity and be approved. Salaries cannot be allocated by percentage.

##### 7. What are expectations for rent and housing costs?

Rent must meet HUD rent reasonableness standards and align with FMR and utility allowance documentation. Incomplete or inconsistent documentation may result in repayment requirements.

#### **8. What is required for expense allocation?**

Expenses must be charged to the correct program and budget line item. Costs must be allocated fairly and documented clearly. Duplicate charges across funding sources are not allowable.

#### **9. What happens if documentation is missing?**

Missing documentation may result in findings, repayment requirements, or corrective action plans. Agencies should provide as much documentation as possible and explain any gaps.

#### **10. How does CSB verify internal controls?**

CSB reviews internal controls through the ICQ, invoice monitoring, and supporting documentation. Agencies must demonstrate segregation of duties and proper approval processes.

#### **11. What is required for audit documentation?**

Agencies must provide independent audit reports, identify findings, and demonstrate corrective actions. OIG audit results must also be disclosed when applicable.

#### **12. How can agencies avoid findings?**

Agencies can reduce findings by maintaining complete documentation, ensuring accuracy, responding timely, and implementing internal quality control processes.