CSB UFA Monitoring Handbook

Columbus & Franklin County Continuum of Care

1st Edition

05/01/2026

Contents

1. Applicability & Scope of Monitoring

The purpose of this Handbook is to document Standard Operating Procedures (SOPs) that define how the Community Shelter Board (CSB) conducts **fiscal** and **programmatic** monitoring of all Partner Agencies receiving Continuum of Care (CoC) & ESG Program funds. This Handbook establishes a consistent, transparent, HUD-aligned monitoring process that:

- Ensures compliance with 24 CFR 576, 24 CFR 578, 2 CFR 200, and applicable NOFOs (Notices of Funding Opportunity).
- Evaluates program performance and financial stewardship.
- Supports continuous improvement across the homeless response system.
- Utilizes a **risk-informed monitoring approach** in accordance with HUD Notice CPD-22-04.
- Aligns CSB practices with the expectations outlined in HUD UFA guidance and CPD-6509.2.

This monitoring framework applies to **programs and subrecipients receiving CoC and/or ESG funding administered by the Community Shelter Board (CSB)** in its role as the Continuum of Care Unified Funding Agency (UFA) and should serve to inform Partner Agency internal processes and procedures.

Programs that **do not receive CSB-administered funding**, but participate in HMIS, **are not subject to annual programmatic or fiscal PR&C monitoring**. These programs may be reviewed separately by the CSB HMIS Database Manager for **data quality and system participation purposes only**, consistent with HUD HMIS requirements.

Partner Agencies are required to maintain documentation demonstrating active oversight of any **subrecipients or contractors providing direct client services**. This includes, but is not limited to:

- Case management documentation
- Individual Housing Stability Plans (IHSPs), including associated monthly case notes tied to housing stability
- Monthly in-home visits for scattered site programs
- Assessments and reassessments
- Referrals and service coordination
- Direct Client Assistance (DCA) documentation
- Eviction reporting documentation for Permanent Supportive Housing (PSH) programs

Documentation must be available for review at the time of monitoring.

Nothing in this monitoring framework is intended to expand CSB's oversight authority beyond CSB-funded programs, except where required by HUD or other applicable federal regulations.

Note the sections highlighted in green of this monitoring handbook. These sections require the Partner Agency to provide a written narrative as to how their organization and programs support the HUD requirements. Though most of these narratives are in section 13 of this handbook, there are occasional requests for additional information throughout this handbook.

2. Governance, Policy Basis & Regulatory Authority

HUD regulations, 2 CFR 200, CPD-6509.2, CPD-22-04, Written Standards.

1. HUD Regulations

HUD regulations (found in Title 24 of the Code of Federal Regulations) establish the legal requirements for each HUD program. They define:

- Who may be served.
- What activities are eligible.
- How funds must be administered.
- Required documentation and reporting.

These regulations are the primary authority governing **program design** and **day-to-day operations**.

In the event of any inconsistency between summary guidance and detailed procedures, CSB will apply the interpretation most consistent with HUD regulations and written standards.

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2. 2 CFR Part 200 (Uniform Administrative Requirements)

2 CFR Part 200 sets government-wide standards for managing federal grants. HUD adopts these rules for all its programs. They establish expectations for:

- Financial management and internal controls.
- Procurement and contracting.
- Allowable costs.
- Record retention and audits.

This regulation ensures **accountability**, **transparency**, and **consistent stewardship** of federal funds across all agencies.

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3. HUD CPD-6509.2 (Monitoring Handbook)

The CPD-6509.2 handbook explains how HUD and its recipients monitor compliance with program and financial requirements. It provides:

- Monitoring objectives and methods.
- File review and financial review expectations.
- Guidance on identifying findings and corrective actions.

This handbook translates regulatory requirements into practical monitoring standards used by funders and oversight bodies and was used in the development of this Handbook.

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4. HUD Notice CPD-22-04 (Risk-Informed Monitoring)

CPD-22-04 establishes HUD's risk-informed approach to monitoring. Rather than treating all recipients the same, HUD prioritizes oversight based on risk factors such as:

- Past compliance issues.
- Financial or operational capacity.
- Program size and complexity.
- **Positive** and **Negative** media mentions and community perception.

The goal is to focus monitoring resources where they are most needed, while still ensuring baseline compliance for all recipients. CSB does not utilize tiered monitoring classifications or limited vs. full review. Monitoring scope and depth are determined solely through a risk-informed approach.

5. Written Standards

Written Standards are local policies required by HUD for specific programs (such as homeless assistance). They define:

- Eligibility criteria.
- Service prioritization and delivery.
- Assistance limits and termination procedures.

These standards ensure programs are administered consistently, fairly, and in alignment with HUD regulations, while allowing communities to tailor implementation to local needs.

All monitored written standards are located throughout this handbook, for organizational and project level narratives and documentation, and for client files located within the **monitoring tools** provided on the www.csb.org website on the monitoring page.

3. Roles & Responsibilities

Core CSB Responsibilities - as defined by HUD, CSB must:

- Enter into and manage all subrecipient grant agreements.
- Disburse funds to subrecipients in a timely manner.
- Monitor subrecipients annually for fiscal and programmatic compliance.
- Ensure compliance with HUD regulations, OMB requirements, and CoC policies.
- Collect and review financial and performance reports.
- Perform risk analyses for all grants and subrecipients.
- Establish corrective actions and follow-up procedures.
- Maintain grant records for HUD inspection.

Subrecipient Responsibilities - subrecipients must:

- Comply with federal regulations and CSB policies.
- Maintain accurate financial and program records.
- Submit required reports, invoices, and applications on time.
- Cooperate fully with monitoring activities.
- Provide annual monitoring of all sub-subrecipients and any contracted agencies, including any contracted agencies providing monitored services.
- Implement corrective actions promptly.

4. Monitoring Framework Overview

CSB's monitoring system includes seven integrated components:

1. Annual Risk Assessment (CPD-22-04 compliant) - ***Section 5.***
2. Annual Monitoring Plan - ***Section 6.***
3. Desk Monitoring - ***Section 7.***
4. On-Site Monitoring - ***Section 8.***
5. Financial Monitoring - ***Section 9.***
6. HMIS/Data Quality Monitoring - ***Section 10.***
7. Corrective Action, Technical Assistance, and Follow-Up - ***Section 11.***

5. Annual Risk Assessment (Appendix C)

CSB conducts **annual baseline monitoring for all subrecipients receiving CSB-administered CoC and ESG funds**.

Consistent with HUD Notice CPD-22-04, the **type, scope, and intensity** of monitoring activities are determined using a **risk-informed approach**. While all subrecipients receive baseline oversight each year, **higher-risk programs receive enhanced desk monitoring and/or on-site monitoring**, and lower-risk programs receive standard desk monitoring.

While high-risk programs are prioritized for on-site monitoring, CSB may also select a representative subset of lower-risk Partner Agencies for on-site monitoring to ensure system-wide consistency and validation.

This approach ensures comprehensive system oversight while prioritizing monitoring resources where risk to participants, compliance, or federal funds is greatest.

Risk Factors include:

- Subrecipient Reporting.
- Staff Capacity & Program Design.
- Program Complexity.
- Open or Stalled Activities.
- Findings & Sanctions (Monitoring/OIG).
- Cross-Cutting Requirement Compliance.
- Time Since Last On-Site Monitoring.
- Financial Staff Capacity.
- Finding Resulting in Repayment/Grant Reduction.
- Award Size (configurable).
- Program Income (complexity/volume).
- Single Audit / Financial Reporting Issues.
- Citizen Complaints / Negative Media.
- Responsiveness.
- CSB Client File Monitoring.
- Program Outcomes (POPS).
- HMIS Data Integrity.
    - *Definitions of these can be found with the risk monitoring form in Appendix C.*

On-site monitoring of the FY26 will be prioritized by the programs deemed highest risk based on the FY25 PR&C results in combination with the POPs results. The formal switch to the Risk-Assessed monitoring will not take place until FY27.

Monitoring Risk Levels:

- High Risk – On-site.
- Moderate Risk – Enhanced desk monitoring.
- Low Risk – Standard desk monitoring.
    - CSB reserves the right to adjust both the assigned risk level and the monitoring approach with 30 days' notice..

This risk assessment model is aligned on HUD-style subrecipient monitoring frameworks, meaning that the approach is structured to reflect HUD's typical subrecipient oversight, compliance and monitoring frameworks rather than a model solely established by the local managing agency.

6. Annual Monitoring Plan (Appendices A, B, and I)

An **Annual Monitoring Plan** is a structured, risk-based roadmap that outlines how a funding recipient or Unified Funding Agency (UFA) will oversee subrecipients during a program year to ensure **compliance, performance, and responsible stewardship of HUD funds**. It translates risk assessment results into **planned monitoring activities**, establishes expectations for desk and on-site reviews, and documents how oversight resources will be prioritized.

Monitoring Notification Protocol (Appendix A and B)

Monitoring Notification & Documentation Requests Notice includes:

- Scope – To include the **monitoring period**, **monitoring method**, and **client lists.**
- Dates – The dates on which the actual monitoring will be performed, report dates, and Quality Improvement Plans (if required).
- Program Monitoring Tools – documentation requirements for each monitoring component to include, but not limited to policies, financial ledgers and audits, client file lists, HMIS reports, APR, and match documentation (listed in **Section 3**).
- Submission deadlines – for financials, staff turnover, media hits, and client uploads for enhanced desk monitoring and standard desk monitoring (**Appendix I**).
- Monitoring Period – The period under review will be the **previous fiscal year** (July 1 – June 30).

Each Partner Agency must designate **Primary and Secondary Monitoring Contacts** for the monitoring cycle. All official monitoring communications will be directed to these contacts, and Partner Agencies must ensure that all monitoring-related correspondence includes both designated individuals.

7. Desk Monitoring Procedures (Appendix D)

Professional compliance groups and HUD-aligned UFA models typically distinguish desk and on-site monitoring by purpose: **Desk monitoring** confirms compliance through remote review of documentation, identifies risks, and supports timely corrective action**. On-site monitoring** is used to independently verify operations and internal controls in practice, confirm implementation, observe physical and operational conditions, and identify issues that may not be evident in documentation alone. Together, these approaches are treated as **complementary components of a risk-based monitoring framework**, with the mix of desk and on-site reviews determined by factors such as risk level, award size, program complexity, and prior monitoring results.

The goal of desk monitoring *is to emphasize systems, patterns, and program outcomes rather than isolated clerical errors, while still requiring correction of all identified discrepancies*.

Desk Monitoring Procedures (Remote) - primary goals

- **Verify compliance through documents and data** (policies, financial reports, invoices, drawdowns, HMIS or performance reports) without visiting the site.
- **Identify "paper" risk early** (missing required documentation, late/incorrect reporting, inconsistent financials) so issues can be corrected quickly and at lower cost.
- **Target and plan on-site work** by narrowing questions, selecting samples, and focusing on a periodic visit to the highest-risk areas.
- **Maintain continuity of oversight** when travel is impractical or when ongoing follow-up is needed between on-site reviews.

Includes review of:

- Programmatic compliance.
- Eligibility and Service documentation (Client files uploaded to Clarity HMIS).
- Performance outcomes.
- HMIS Data Quality.
- Financial review.

8. On-Site Monitoring Procedures (Appendix E)

On-site monitoring's goal: independently verify operations and controls in the field; confirm implementation; observe conditions; detect issues that won't appear in documentation alone.

On-Site Monitoring Procedures - primary goals

- **Validate real-world operations**: confirm that what is in the files matches actual practice (intake flow, service delivery, supervisory controls, case conferencing, etc.).
- **Observe conditions you cannot confirm remotely**, such as accessibility, postings/notices, physical security of records, and general program environment. CSB may conduct random inspections of units receiving federal assistance to verify compliance with applicable housing standards.
- **Test internal controls in practice** (segregation of duties, approvals, cash handling, record retention routines) through interviews and observation, not just written procedures.
- **Prioritize higher-risk programs**: HUD-style monitoring guidance commonly treats on-site reviews as essential for higher-risk participants and recommended broadly when feasible.

For the current monitoring cycle, all client file documentation must be uploaded into Clarity by the first day of scheduled monitoring. The file organization is listed in Appendix L. Files not meeting upload protocols will not be monitored and listed as non-compliant.

Typical Format for On-site Monitoring

- Entrance conference
    - Welcome
    - Introduction
    - Expectations
- Facilities review (as applicable)
- Staff interviews
    - Review of organizational and program performance outcomes
- Client file sampling (Appendix F)
- Policy review
- Exit conference
    - Welcome
    - Review of outcomes
    - Next Steps
    - Q&A

9. Fiscal & Organizational Monitoring

What to Monitor Under 2 CFR Part 200

2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements) is the foundation for financial and administrative oversight of all federal awards, including HUD ESG and CoC grants. When monitoring ESG and CoC grants, focus on these core 2 CFR 200 areas covered in the ICQ:

Financial Management

- Internal controls that ensure funds are used only for allowable grant purposes.
- Accurate accounting records and financial reporting.
- Timely obligation and expenditure of funds in compliance with award terms.
- Allocability, allowability, and reasonableness of costs charged to the grant.
- Audit compliance including Single Audit findings and corrective actions (if applicable under 2 CFR 200 Subpart F).
- Procurement practices that comply with competitive and documented procurement standards.
- Monitoring of subrecipients and contractors, including tracking payments, performance, and corrective actions.
    - CSB conducts random monitoring of 10% of costs in the disbursement journals submitted in monthly invoices.

Eligibility & Program Requirements

Both ESG (24 CFR 576) and CoC (24 CFR 578) programming layer programmatic requirements over the financial standards of 2 CFR 200, so monitoring should also include:

ESG (24 CFR 576) Specific Items

- Verification that participants meet the defined homeless or at-risk criteria and related documentation is maintained as defined in **Section 13**.
- Eligible activities are delivered (street outreach, shelter, prevention, rapid re-housing, HMIS) and documented.
- Recordkeeping and reporting requirements are met, including IDIS reporting and retention of required participant and financial documents.
    - In practice, IDIS reporting is typically completed by the State, County, or City, as they are the direct ESG recipients.
- Matching contributions and documentation of compliance with match requirements (if applicable).

CoC (24 CFR 578) Specific Items

- Eligible participants and projects — homelessness definitions and documentation as defined in **Section 13**.
- HMIS participation, coordinated entry system use, and data quality as defined in **Section 10**.
- Match compliance — The recipient or subrecipient must match all grant funds, except for leasing funds, with no less than 25 percent of funds or in-kind contributions from other sources. 578.73.
- Housing quality standards for units used under leasing or rental assistance.
- Performance and outcomes reporting consistent with the CoC Program Interim Rule and HUD reporting systems.

Cross-Cutting Federal Requirements

For both ESG and CoC, monitor compliance with:

- Civil rights and nondiscrimination requirements.
- Environmental and lead-based paint standards, where applicable, as defined in **Section 13**.
- Confidentiality and data protection, especially for HMIS and sensitive information.
- Conflict of interest policies, as required under 2 CFR 200 and program rules.

Public Reputation and Community Relations (Negative Press and Community Feedback)

Regulatory Requirement
While not explicitly codified in 24 CFR Part 200 or 24 CFR Part 578, HUD expects subrecipients to maintain effective internal controls, **safeguard public trust**, and ensure program integrity. Negative media coverage, substantiated community complaints, or reputational concerns may indicate potential risks related to program compliance, service delivery, financial management, or participant protections.

Per 2 CFR §200.303, non-federal entities must establish and maintain effective internal controls that provide reasonable assurance of compliance and operational integrity.

Partner Agency Compliance Narrative

Describe how your agency monitors, assesses, and responds to negative press coverage, community complaints, or other reputational concerns related to program operations. Include:

- Processes for identifying and tracking negative media or community feedback (e.g., news articles, social media, formal complaints)
- Internal review procedures to determine validity and potential program impact
- Steps taken to address substantiated concerns, including corrective actions or policy changes
- Communication protocols with CSB, funders, and stakeholders when issues arise
- How leadership ensures that reputational risks are evaluated as part of overall program oversight and continuous improvement

Write Narrative Here:

Suggested Documentation to Demonstrate Compliance

✓ Log or tracker of media coverage and community complaints, including dates, sources, and summaries
✓ Copies or links to relevant news articles, public statements, or social media posts (as applicable)
✓ Internal incident reports or review summaries assessing the validity and impact of concerns
✓ Documentation of corrective actions taken (e.g., staff training, policy updates, procedural changes)
✓ Communication records with CSB or other funders regarding significant issues, when applicable
✓ Board or leadership meeting minutes reflecting awareness and oversight of reputational concerns
✓ Public response statements or community engagement efforts (if issued)

10. Performance & Data Monitoring

(Applicable to both ESG and CoC programs)

Performance and data monitoring should assess whether programs are **achieving intended outcomes**, **serving eligible participants**, and **reporting complete and accurate data** that HUD relies on for funding, oversight, and system planning.

All identified data and documentation discrepancies must be corrected, regardless of whether minimum compliance thresholds are met.

Program Performance Outcomes (POPs)

Monitor whether programs demonstrate progress toward HUD's core objectives:

Housing Outcomes

- Percentage of participants exiting emergency housing into permanent housing.
- Length of time from enrollment to housing placement.
- Housing retention at exit and, where applicable, follow-up.

Service Effectiveness

- Engagement rates (timely intake, services initiated promptly).
- Alignment of services with participant needs and program model.
- Completion of required assessments and re-assessments.

System-Level Outcomes

- Reduced returns to homelessness (where applicable).
- Appropriate use of crisis resources (shelter, outreach, RRH, prevention).
- Performance consistent with local system priorities and written standards.

Monitoring focus: Outcomes should be evaluated in the context of program type, participant characteristics, and local system design.

Data Completeness & Timeliness

Monitor whether required data are:

- Entered for all enrolled participants.
- Entered within required timeframes established by HUD and the local HMIS Lead.
- Updated at key points (project entry, assessment and reassessment, IHSP monthly contact, exit, etc.).

Key elements include:

- Entry and exit dates.
- Project type and funding source.

- Services and financial assistance recorded correctly.
- Destination at exit is completed for all participants exiting the program.

Data Consistency with Program Design

Ensure that:

- Project setup in HMIS matches the funded program type (ESG vs. CoC; RRH, PSH, shelter, outreach, prevention).
- Project name is the same in HMIS as it is on the contracts, invoices, and PR&C.
- Participant data aligns with eligible activities and populations.
- Housing placement and service records reflect actual program operations.

HMIS Data Integrity Monitoring Requirements

HMIS data integrity monitoring ensures that HUD data used for Annual Performance Reports (APR), System Performance Measures (SPM), Longitudinal Systems Analysis (LSA), and funding decisions are accurate and reliable.

Universal Data Elements (UDEs)

Monitor completeness and accuracy of:

- Name (or anonymized identifier, where applicable)
- Social Security Number
- Date of birth
- Race and ethnicity
- Disabling Condition
- Project entry and exit dates

Expectation: Missing or "data not collected" responses should be minimal unless explicitly permitted. If the data is unknown or not collected, there must be a **Case Note** entered into **Clarity** as to how and when the information is collected. All required data must be entered prior to monitoring.

For clients with documentation issues, or who are potentially at-risk, **document in a case note that the client is at risk** and then reach out to the **CSB System Effectiveness Team** for guidance.

Program-Specific Data Elements

Verify accuracy and completeness of:

- Homelessness status at entry.

- Income and non-cash benefits at entry and exit.
- Disability status (where applicable).
- Housing move-in dates (for RRH and PSH).
- Services and financial assistance tied to ESG or CoC funding.

Data Quality Standards

Monitoring should assess compliance with HUD-established data quality dimensions:

- Completeness – Required fields are populated.
- Accuracy – Data reflects source documentation.
- Timeliness – Data entered within required timeframes.
- Consistency – Data elements align across records and reports.

HMIS Data Accuracy Thresholds

For monitoring purposes, CSB applies the following HMIS data accuracy standards to reviewed records:

- **95% or higher accuracy** – Meets compliance expectations.
- **90–94% accuracy** – Requires clarification and may result in targeted corrective actions.
- **Below 90% accuracy** – Requires a Quality Improvement Plan (QIP).

Accuracy is determined by comparing required HMIS data elements to source documentation. **All identified data issues must be corrected**, regardless of whether the minimum threshold is met.

These thresholds are applied consistently across CSB monitoring activities and align with HUD data quality expectations.

Documentation & Source Verification

Confirm that HMIS data is supported by:

- Intake and eligibility documentation.
- Case notes and service records.
- Financial assistance records.
- Housing placement documentation.

Monitoring focus: HMIS should reflect what is documented in the case file, not replace it.

Security, Privacy & Access Controls

Monitor compliance with:

- HMIS privacy notice and participant consent requirements.
- Role-based access to HMIS.
- Staff training in confidentiality and data entry standards.
- Special protection for intimate partner violence and comparable database users.

Client File Lists (Appendix L)

Sampling and Selection:

- **Timing of Selection**
  - No earlier than ten (10) business days prior to the scheduled review and no later than five (5) business days before the review, CSB will identify:
    - Client records; and
    - Shelter bed lists, where applicable.
  - Client records are selected from the applicable monitoring period, generally corresponding to the prior contract year (July 1 through June 30).
- **Sample Size**
  - Client file reviews include:
    - A minimum of ten (10) records; and
    - Up to a maximum of fifty (50) unduplicated clients served, based on the previous fiscal year.
  - If a program does not meet the minimum threshold:
    - All available client records will be reviewed.
- For programs serving more than 100 clients, for each additional 25 clients, one (1) client will be added to the count until the maximum of 50 clients has been attained.
  - CSB may combine projects or locations within the same program type to meet minimum sample size requirements.
- **Exited and Active Records**
  - Selected samples generally include:
    - At least 50 percent exited (closed) records.
  - If a program does not have enough exited records:
    - All exited records will be reviewed.
  - For long-term programs:
    - A portion of non-exited records may include participants who entered during the monitoring period.

Use of Internal File Reviews

- CSB strongly encourages Partner Agencies to conduct **regular internal client file reviews** aligned with CSB monitoring expectations.

- When a Partner Agency documents quarterly internal reviews of **at least 10% of clients served per quarter or 30 records per quarter (whichever is greater)**, CSB will incorporate **25% of those records** into the annual monitoring sample.
- If there are fewer than 30 clients served in a quarter, then 100% of the clients will be monitored.
- This practice:
  - Supports continuous quality improvement
  - Reduces duplicative review burden
  - Demonstrates effective internal controls
  - May reduce the number of additional records selected for review
- Internal review documentation must be submitted by the **end of the first month following** the internally monitored quarter.
- A place within the SharePoint upload site will be provided for internal file review results.

- **Adjustments Based on Risk**
  - Consistent with its risk-informed monitoring approach, CSB reserves the right to adjust the size of the client record sample—either increasing or decreasing the number of records reviewed—based on:
    - Current risk assessment results; and
    - Monitoring needs for the applicable year.

See **Appendix L** for more information about the Sampling Methodology and the risks of oversampling.

Use of Data for Program Management

Assess whether the program:

- Reviews HMIS data internally for accuracy and performance
- Uses reports to identify trends, gaps, and improvement areas
- Corrects errors and documents corrective actions

Describe how your agency uses data from HMIS for programming management and improvement.

Write Narrative Here:

This aligns with HUD's expectation that **HMIS is a management tool, not just a reporting system**.

11. Quality Improvement & Follow-Up (Appendix H)

Quality Improvement is the formal process used to address, resolve, and prevent recurrence of compliance issues identified during monitoring of HUD-funded homeless programs (including ESG and CoC).

Issuance of Monitoring Results

After monitoring, CSB issues written results that:

- Identify findings (violations of law or regulation) and concerns (risk areas or weaknesses).
- Cite the specific regulatory authority involved.
- Describe the condition observed and why it does not meet requirements.

This step establishes a clear record and regulatory basis for corrective action. Clerical and documentation errors identified during monitoring must be corrected within thirty (30) days unless otherwise specified by CSB.

Required Quality Improvement Plan (QIP)

When a finding is issued, the Partner Agency must submit a Quality Improvement Plan within the timeframe specified by the funder, which for CSB is 30 days following the final report. The plan should:

- State how the issue will be corrected.
- Identify who is responsible.
- Include clear deadlines.
- Describe process changes to prevent recurrence.

HUD expects corrective actions to address **root causes**, not just the **immediate issue**.

Documentation of Resolution

Programs must provide documentation showing that Quality Improvements were completed, such as:

- Updated policies or procedures.
- Revised forms, templates, or tools.
- Training records for staff.
- Corrected participant files or financial records.

Documentation must demonstrate that the issue is **fully resolved** and **sustainable**.

Verification and Review

CSB reviews submitted documentation to confirm that:

- Quality Improvements were completed as approved.
- Changes align with HUD regulations and program requirements.
- Risks related to the finding have been reduced or eliminated.

Additional clarification or revisions may be required before a finding is formally closed.

Follow-Up Monitoring

Follow-up monitoring activities are **not punitive** and are used solely to verify that identified issues have been corrected and that corrective actions are functioning as intended.

A second review is **not routinely issued** and occurs only when CSB determines that additional verification is necessary to confirm compliance, resolution of findings, or sustained corrective action.

Follow-up activities may include targeted desk monitoring, data verification, or limited on-site review, depending on the nature of the issue and associated risk.

Consequences for Non-Resolution

If findings are not resolved within required timeframes, HUD/CSB may:

Designate a Partner Agency as **Enhanced Risk** when significant or recurring issues indicate elevated risk to compliance, performance, or federal funds.

Enhanced Risk status may result in:

- Increased monitoring frequency or scope.
- Additional documentation requirements.
- Corrective actions incorporated into grant agreements or contracts.
- Special conditions consistent with HUD guidance.
- **Withhold or delay funds**.
- **Require repayment** of ineligible costs.
- **Limit future funding** or impose additional oversight.

Enhanced Risk status may remain in place **for up to three (3) monitoring cycles**, or until CSB determines that sustained remediation has been demonstrated.

Removal from Enhanced Risk status is based on documented, consistent improvement and successful resolution of identified issues.

These actions are intended to protect **federal funds** and **program integrity**.

Continuous Improvement Expectation (Section 15)

HUD encourages programs to use Quality Improvement as a tool for:

- Strengthening internal controls.
- Improving data quality and documentation.
- Enhancing staff training and supervision.

Effective Quality Improvement supports long-term compliance and program quality, consistent with HUD's risk-informed monitoring approach.

12. Monitoring Report Procedures (Appendix G)

Partner Agency monitoring reports document whether HUD-funded programs are being administered in compliance with federal requirements and are achieving their intended outcomes. Based on HUD.gov guidance and professional grant-management standards, these reports serve several core purposes:

- Verify compliance with applicable HUD program regulations, 2 CFR Part 200, and local written standards.
- Assess performance and data quality, including outcomes, HMIS accuracy, and alignment between reported data and source documentation.
- Identify risks, findings, and concerns that could affect program integrity, participant protections, or the appropriate use of funds.
- Document corrective actions and follow-up, providing clear expectations, timelines, and accountability for resolving noncompliance.
- Support risk-informed oversight, allowing funders to prioritize monitoring and technical assistance based on demonstrated risk.
- Promote continuous improvement by highlighting strengths, recommending improvements, and encouraging sound management practices.

Monitoring reports provide a formal and defensible record of oversight activities that protects federal funds, supports program quality, and ensures HUD-funded services are delivered as intended.

Appeal Process for Monitoring Findings

Purpose

CSB is committed to a fair, consistent, and transparent monitoring process. The appeal process provides Partner Agencies with an opportunity to formally request a review of monitoring findings when there is a disagreement regarding the accuracy, interpretation, or application of requirements.

Right to Appeal
Subrecipients may submit a formal appeal if they believe a monitoring finding was issued in error or does not accurately reflect compliance with applicable requirements.

Appeal Requirement
A formal appeal **must be submitted for CSB to consider any modification, revision, or removal of monitoring findings**. Informal discussions or clarifications outside of the formal appeal process will not result in changes to the Final Monitoring Report.

Submission Timeline

- Appeals must be submitted **within fourteen (14) calendar days** of the issuance date of the Final Monitoring Report.
- Appeals received after this deadline will not be considered.

Appeal Submission Requirements
The formal appeal must be submitted in writing and include, at minimum:

- Identification of the specific finding(s) being appealed.
- A clear explanation of the basis for the appeal (e.g., factual discrepancy, documentation not previously considered, misinterpretation of regulatory requirements).
- Supporting documentation that substantiates the appeal.
- Reference to applicable HUD regulations, CSB policies, or program requirements, where appropriate.
- The appeal form can be found on the CSB website at: https://www.csb.org/providers/monitoring/

CSB Review Process
Upon receipt of a complete appeal:

- CSB will conduct a secondary review of the findings, including all submitted documentation and applicable regulatory requirements.
- CSB may request additional information or clarification from the subrecipient, if needed.
- A written determination will be issued following the review.

Final Determination

- CSB's determination will either uphold, modify, or overturn the original finding(s).
- The determination issued through the appeal process is **final**.
- If findings are modified, an updated Final Monitoring Report will be issued.

Effect on Corrective Actions

- Submission of an appeal does **not** pause required corrective actions or Quality Improvement Plan (QIP) timelines unless explicitly communicated by CSB.
- Subrecipients remain responsible for timely compliance with all required actions during the appeal review period.

Appeal Process Acknowledgement:

PA Representative:

Name:
Title:
Date of Acknowledgement:

13. Monitoring Standards

Includes HUD regulations, HMIS standards, CoC Written Standards, UFA agreement, CPD-6509.2, and other tools.

- If a service is not applicable, indicate 'N/A' rather than leaving the narrative field blank.

HUD Critical Compliance Elements

Certain program requirements are considered critical because they directly affect participant eligibility, housing safety, rent calculations, and the appropriate use of federal funds. A single error in these areas may result in a monitoring finding.

For these requirements, **even a single error may result in a monitoring finding**, consistent with HUD monitoring standards.

These areas include, but are not limited to:

• Participant eligibility and homelessness status.
• Income calculation and rent reasonableness.
• Housing quality or habitability standards.
• Lease and occupancy agreements.
• Non-duplication of assistance.
• Fair Housing, Equal Access, and VAWA protections.
• Allowability of costs under 2 CFR Part 200.

CSB prioritizes timely correction and prevention of recurrence when a **Critical Compliance Element** issue is identified.

24 CFR Part 576 – Emergency Solutions Grants (ESG) Program

§ 576.1 Applicability and Purpose.

This section implements the Emergency Solutions Grants (ESG) program authorized by subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11371-11378). The program authorizes the Department of Housing and Urban Development (HUD) to make grants to **States**, **units of general purpose local government**, and **territories** for the rehabilitation or conversion of buildings for use as emergency shelter for the homeless, for the payment of certain expenses related to operating emergency shelters, for essential services related to emergency shelters and street outreach for the homeless, and for homelessness prevention and rapid re-housing assistance.

§ 576.2 Definitions

At Risk of Homelessness

A person or family is considered at risk of homelessness if they meet one of the categories below.

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1. Individuals or Families at Imminent Risk

An individual or family qualifies if all three of the following apply:

A. Income

Their yearly income is below 30 percent of the area's median family income, as set by the U.S. Department of Housing and Urban Development.

B. Lack of Support

They do not have enough financial resources or support (such as help from family, friends, faith communities, or other social networks) to prevent moving into:

- An emergency shelter, or
- Another place that meets the definition of homelessness.

C. Housing Instability

In addition, the individual or family must meet at least one of the conditions below:

- They moved two or more times in the past 60 days due to financial hardship.
- They are staying in someone else's home because they cannot afford their own housing.
- They received written notice that they must leave their current housing within 21 days.
- They are staying in a hotel or motel that is not paid for by a charity or a federal, state, or local government program for people with low incomes.
- They are living in overcrowded housing, including:
    - A single-room or efficiency unit with more than two people, or
    - A larger unit with more than 1.5 people per room, based on census standards.

- They are leaving a publicly funded institution or system of care, such as:
    - A hospital or health care facility
    - A mental health facility
    - Foster care or another youth facility
    - A correctional facility or program
- They live in housing that shows clear signs of instability and increased risk of homelessness, as identified in the local government's approved housing and community planning document.

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2. Children and Youth Covered Under Other Federal Laws

A child or youth qualifies if:

- They do not meet the definition of homelessness under this regulation, but
- They are considered homeless under another federal law, including laws related to:
    - Runaway and homeless youth services.
    - Early childhood education programs.
    - Services for survivors of violence.
    - Community health services.
    - Food assistance programs.
    - Child nutrition programs.

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3. Children and Youth Experiencing Housing Instability in Schools

A child or youth qualifies if:

- They are considered homeless under federal education law related to school stability, and
- Their parent(s) or guardian(s) also qualify if they are living with the child or youth.

Homeless

A person or family is considered homeless if they meet any <u>one</u> of the categories below.

---

1. No Stable Place to Sleep

A person or family does not have a fixed, regular, and safe place to stay at night and is living in <u>one</u> of the following situations:

- A public or private place not meant for people to live in, such as:
    - A car
    - A park
    - An abandoned building
    - A bus or train station
    - An airport

    - A campground
- A temporary shelter, including:
    - Emergency shelters
    - Group shelters
    - Transitional housing
    - Hotels or motels paid for by charities or by federal, state, or local government programs for people with low incomes
- An institution (such as a hospital or correctional facility) for 90 days or less, when the person was living in a shelter or a place not meant for people to live immediately before entering the institution

---

2. About to Lose Housing

A person or family qualifies if all the following apply:

- They will lose their current housing within 14 days
- They do not have another place to live
- They do not have enough resources or support (such as help from family, friends, or community networks) to secure permanent housing

---

3. Youth and Families with Children Experiencing Ongoing Instability

A youth under age 25, or a family with children or youth, qualifies if they meet all the following:

- They are considered homeless under other federal laws related to youth, education, health, nutrition, or safety
- They have not had permanent housing (such as a lease, ownership, or formal agreement) at any time during the past 60 days
- They have moved two or more times in the past 60 days
- Their housing instability is expected to continue for a long time due to one or more of the following:
    - A long-term disability
    - A long-term physical or mental health condition
    - Substance addiction
    - A history of intimate partner violence or childhood abuse or neglect
    - A child or youth with a disability
    - Two or more barriers to employment, such as:
        - No high school diploma
        - Difficulty reading or writing
        - Limited English skills
        - A history of incarceration
        - A history of unstable employment

---

4. Fleeing Violence or Threats to Safety

- A person or family qualifies if all the following apply:
    - They are fleeing or trying to flee:

    - Intimate partner
    - Dating violence
    - Sexual assault
    - Stalking
    - Other dangerous or life-threatening situations involving violence
- They do not have another safe place to live
- They do not have enough resources or support (such as help from family, friends, or community networks) to obtain permanent housing

---

§ 576.101 – Street Outreach Component

Regulatory Requirement

Provide essential services to unsheltered homeless individuals and families, including **engagement**, **case management**, **emergency health/mental health services**, **transportation**, and **services for special populations such as victims of intimate partner violence or people with HIV/AIDS**.

- Much of the information for the requested narratives that follow may/can come from the PA's Gateway Program Narrative.

Partner Agency Compliance Narrative

Describe how your agency conducts street outreach in compliance with 24 CFR § 576.101, including:

- Methods for locating and engaging unsheltered individuals/families.
- Case management procedures.
- Protocols for emergency health or mental health services.
- Transportation services provided.
- Specialized services for victims of violence and other special populations.

Write Narrative Here:

Primary Monitoring Sources

- ESG Street Outreach monitoring exhibit
- Homeless determination/recordkeeping requirements (24 CFR 576.500)

Key Client File Items HUD Monitors, located in the Monitoring Tools

Requirement	Examples of Acceptable Documentation
Homeless status verification	Outreach worker certification; observation documentation of unsheltered status; HMIS entry showing unsheltered location; outreach contact logs
Initial contact and engagement	Outreach encounter forms; case contact notes; service logs
Service eligibility	Intake form: documentation of location where client was encountered
Services provided	Case notes describing engagement, referrals, or services
Referrals to shelter/housing/services	Referral forms; coordinated entry referrals; transportation assistance logs
HMIS data entry (if applicable)	HMIS client profile; outreach project entry record
Confidentiality and consent	HMIS release of information; privacy notice acknowledgment

HUD monitoring focuses on verifying **documented outreach engagement and confirmation the person was unsheltered at time of contact.**

---

§ 576.102 – Emergency Shelter Component

Regulatory Requirement

Emergency shelter services may include **essential services**, **shelter operations**, **renovation costs**, and **URA relocation assistance**. Ensure no involuntary family separation, serve defined homeless populations, and meet minimum service requirements.

Partner Agency Compliance Narrative

Describe how your agency's emergency shelter operations meet 24 CFR § 576.102 requirements, including:

- Essential services provided in shelter.
- Shelter operations and safety procedures.
- Compliance with Uniform Relocation Assistance (URA) when applicable.
- Policies preventing involuntary separation of families.

Write Narrative Here:

Primary Monitoring Sources

- ESG Emergency Shelter monitoring exhibit.

- Homeless determination requirements.

Key Client File Items HUD Monitors, located in the Monitoring Tools

Requirement	Examples of Acceptable Documentation
Homeless eligibility documentation	Intake form; shelter entry form; HMIS record showing Category 1 homelessness
Client intake and assessment	Intake packet: vulnerability or needs assessment
Stay records / bed utilization	Shelter log; nightly census; bed assignment records
Service provision	Case notes; service referrals; employment or benefit referrals
Housing placement efforts	Housing search logs; coordinated entry referral documentation
HMIS participation	Client profile; project entry/exit data
Participant rights and grievance procedures	Signed participant handbook acknowledgement

HUD monitoring confirms the shelter served **eligible homeless people and provided housing stabilization services.**

---

§ 576.103 – Homelessness Prevention

Regulatory Requirement

Provide **housing relocation/stabilization services** and/or **short/medium-term rental assistanc**e necessary to prevent homelessness for eligible individuals/families (income threshold and eligibility criteria per ESG definitions).

Partner Agency Compliance Narrative

Describe how your agency implements homelessness prevention services consistent with 24 CFR § 576.103, including:

- Eligibility assessment process
- Types of financial and supportive services
- Case management and housing stability planning

Write Narrative Here:

Primary Monitoring Sources

- ESG Rapid Re-Housing and Homelessness Prevention monitoring exhibit
- At-risk of homelessness eligibility documentation

Key Client File Items HUD Monitors, located in the Monitoring Tools

Requirement	Examples of Acceptable Documentation
At-risk or homelessness eligibility determination	Income documentation; eviction notice; utility shutoff notice; landlord statement; certification of housing instability
Income verification	Pay stubs; employer statement; benefits award letter; self-certification (when allowed)
Housing status documentation	Lease copy; notice to vacate; landlord verification
Assessment and prioritization	Coordinated entry assessment; prevention screening form
Financial assistance eligibility	Rent reasonableness determination; fair market rent comparison
Rental assistance provided	Rental assistance agreement; payment ledger; landlord W-9
Housing stabilization plan	Case plan; service plan; housing stabilization checklist
Case management documentation	Case notes; service tracking logs

HUD reviewers verify that **participants were eligible before assistance was provided and that payments complied with program rules.**

---

§ 576.104 – Rapid Re-Housing Assistance (ESG only)

Regulatory Requirement

Provide **housing relocation and stabilization** services and **short/medium-term rental assistance** to help individuals/families move into permanent housing.

Partner Agency Compliance Narrative

Describe how your agency administers rapid re-housing in accordance with 24 CFR § 576.104, including:

- Housing search and placement services
- Rental assistance standards
- Participant eligibility and prioritization

Write Narrative Here:

Primary Monitoring Sources

- ESG RRH monitoring exhibit
- Housing and rental assistance requirements

Key Client File Items HUD Monitors, located in the Monitoring Tools

Requirement	Examples of Acceptable Documentation
Homeless eligibility verification	HMIS record; shelter discharge documentation; outreach certification
Program intake and assessment	Intake forms; coordinated entry referral; vulnerability assessment
Housing stabilization plan	Individualized housing service plan (IHSP); case plan
Lease documentation	Signed lease agreement; participant lease addendum
Rent reasonableness determination	Comparable rent analysis; rent comparison form
Fair Market Rent compliance	FMR comparison worksheet
Rental assistance agreement	Written agreement between agency and landlord
Housing inspection (if required)	Housing quality standards inspection form
Rental assistance payments	Payment ledger; invoices; landlord receipts
Case management services	Case notes; housing search assistance documentation
Income verification for rent contribution	Pay stubs; benefits statements

HUD monitoring emphasizes verifying that **housing assistance complies with rent standards and participants were homeless prior to enrollment.**

---

§ 576.108 – Administrative Activities

Regulatory Requirement

Limit administrative costs to no more than 7.5% of ESG grant; allowable activities include **program management**, **reporting**, **training**, **consolidated plan updates**, **environmental review**, etc.

Partner Agency Compliance Narrative

Describe how your agency allocates and manages administrative ESG funds pursuant to 24 CFR § 576.108, including:

- Budgeting and tracking of administrative vs program costs
- Staff roles and oversight functions
- Training participation related to ESG requirements

Write Narrative Here:

Suggested Documentation to Demonstrate Compliance

✓ Budget reports showing administrative cost limits
✓ Staff position descriptions & timesheets
✓ Meeting minutes for program oversight
✓ Training certificates and attendance logs

Award and Use of Funds

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§ 576.201 – Matching Requirement

Regulatory Requirement

Recipients must provide matching contributions equal to the ESG grant amount (with exceptions for territories and first $100,000 for states) according to 24 CFR § 576.201.

Partner Agency Compliance Narrative

Describe how your agency meets or supports the ESG matching requirement as specified in 24 CFR § 576.201, including documentation of cash/in-kind contributions.

Write Narrative Here:

Suggested Documentation to Demonstrate Compliance

✓ Match reporting forms (Annual Gateway Budget)
✓ In-kind valuation methodology
✓ Contracts, receipts, and donation records
✓ Consolidated plan descriptions of match commitments

Program Requirements

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§ 576.400 – Area-Wide Systems Coordination

Regulatory Requirement

ESG participants must coordinate with the **Continuum of Care (CoC) system**, **use centralized/coordinated assessment**, and **have written ESG service standards** applied consistently.

Partner Agency Compliance Narrative

Describe how your agency collaborates with the local CoC, uses coordinated assessment, and implements written ESG standards in compliance with 24 CFR § 576.400.

Write Narrative Here:

Suggested Documentation to Demonstrate Compliance

✓ CoC agreements and MOUs
✓ Written ESG standards and procedures
✓ Participation documentation in coordinated assessment
✓ Referral tracking systems

---

§ 576.401 – Evaluation of Participant Eligibility and Needs

Regulatory Requirement

Assess and document program participant eligibility and needs before providing assistance. (*Reg text in Part 576; assessments aligned with ESG definitions*).

Partner Agency Compliance Narrative

Describe your agency's intake and assessment process to evaluate participant eligibility per 24 CFR § 576.401.

Write Narrative Here:

Suggested Documentation to Demonstrate Compliance

✓ Intake and assessment forms
✓ Eligibility determination records
✓ Needs assessment summaries

---

§ 576.402 – Terminating Assistance

Regulatory Requirement

Formal process for termination of ESG assistance respecting participant rights in severe violation cases.

Partner Agency Compliance Narrative

Describe your agency's termination policies and procedures consistent with 24 CFR § 576.402.

Write Narrative Here:

Suggested Documentation to Demonstrate Compliance

✓ Termination policy documents
✓ Written notices of termination
✓ Appeal/review records

---

24 CFR Part 578 – Continuum of Care (CoC) Program

§ 578.1 Purpose and scope

Regulatory Requirement:
Describes the purpose of the CoC Program to **promote communitywide commitment** and **provide funding** to quickly rehouse individuals/families experiencing homelessness.

Partner Agency Compliance Narrative:

Describe how your agency's mission and activities align with the overall purpose and scope of the CoC Program.

Write Narrative Here:

Suggested Documentation:

- Agency mission/service descriptions (Gateway Program Narrative)
- Program brochures or service plans
- Agreements demonstrating role in CoC

---

§ 578.3 Definitions

Regulatory Requirement:
Includes definitions of key terms used throughout Part 578.

Partner Agency Compliance Narrative:

Explain how your agency uses HUD's defined terms in eligibility assessments, reporting, and policy documents.

Write Narrative Here:

Suggested Documentation:

- Agency intake forms
- Eligibility criteria documentation
- Written policies referencing CoC definitions

---

§ 578.5 Establishing the Continuum of Care

Regulatory Requirement:
Describes formation of the Continuum and required representatives.

Partner Agency Compliance Narrative:

Describe your agency's role in the **establishment** or **participation** in the Continuum of Care structure.

Write Narrative Here:

Suggested Documentation:

✓ Membership records
✓ Roster of Continuum representatives
✓ Invitation/participation notices

---

§ 578.7 Responsibilities of the Continuum of Care

Regulatory Requirement:
Outlines Continuum duties including **meeting frequency**, **governance**, **centralized assessment**, **written standards**, **HMIS coordination**, and **planning**.

Partner Agency Compliance Narrative:

Describe how your agency supports these responsibilities (e.g., attendance at meetings, participation in standards development).

Write Narrative Here:

Suggested Documentation:

✓ Documentation is held by the CSB Federal Grants Manager (No need to supply).

§ 578.7(a)(8) Coordinated Entry (CPOA)

Regulatory Requirement:

This section implements the requirement for each Continuum of Care (CoC) to establish and operate a **centralized or coordinated assessment system (Coordinated Entry)**, as authorized under subtitle C of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11381–11389).

The Coordinated Entry system is designed to provide a **standardized, community-wide process** for access, assessment, prioritization, and referral to housing and services for individuals and families experiencing homelessness or at imminent risk of homelessness.

The system must ensure that all persons in the CoC's geographic area have **fair and equal access** to housing and services, and that resources are allocated based on **severity of need, vulnerability, and program eligibility**, rather than on a first-come, first-served basis.

Partner Agency Compliance Narrative:

Describe how your agency supports the Coordinated Entry process.

Write Narrative Here:

Suggested Documentation:

✓ Policies & Procedures
- Agency policies stating:
  - CE is the required access and referral process
  - No direct admissions outside CE (except documented exceptions)
- Written procedures for:
  - Handling CE referrals
  - Responding to vacancies
  - Communicating with CE system administrators (CSB)

✓ Demonstrates staff understanding of CE policies, roles, and workflows.
- Training records showing staff completed:
  - CE training (CSB or equivalent)
  - HMIS training
- Staff interview evidence:
  - Can explain CE process
  - Understand referral expectations
  - Know not to bypass CE

---

§ 578.7(a)(8) Diversion

Regulatory Requirement:

Describes the requirement that the Coordinated Entry (CE) system incorporates **diversion and prevention screening at the point of access** to reduce unnecessary entry into the

homeless crisis response system, while ensuring participants are **quickly connected to safe and appropriate housing options**. Diversion must be applied consistently, without discrimination, and must not delay access to emergency shelter when needed.

Partner Agency Compliance Narrative:

Detail your agency's role in supporting diversion as part of the Coordinated Entry process. This includes how staff:

- Conduct **diversion screening at initial contact** (or support the CE access point performing this function)
- Use **standardized diversion tools and protocols** established by the CoC
- Ensure diversion efforts are:
    - **Client-centered and voluntary**
    - **Safe and appropriate** (including screening for domestic violence and other risks)
- Document all diversion attempts, outcomes, and referrals in **HMIS and/or client files**
- Avoid creating barriers to shelter by ensuring diversion does **not delay access** when no safe alternative exists
- Coordinate with CE partners to ensure **consistent application** of diversion practices across the system

Write Narrative Here:

Suggested Documentation:

✓ Evidence of diversion screening at point of access (e.g., hotline logs, intake notes)
✓ Completed diversion/prevention screening tools (if applicable)
✓ HMIS records showing:

- Diversion attempt (yes/no)
- Outcome (successful/unsuccessful)
- Referral or resolution provided

✓ Case notes documenting:

- Alternative housing options explored
- Client choice and agreement
- Safety considerations (including DV screening where applicable)

✓ Policies and procedures describing diversion practices aligned with Coordinated Entry
✓ Staff training records related to diversion and Coordinated Entry
✓ Communication or coordination records with CE access points (if diversion is centralized)

---

§ 578.9 Preparing an application for funds

Regulatory Requirement:
Describes process for preparing CoC funding applications.

Partner Agency Compliance Narrative:

Detail your agency's role (project data, narratives, outcomes) in supporting CoC application preparation.

Write Narrative Here:

Suggested Documentation:

- ✓ Contributions to CoC application materials
- ✓ Project performance data submitted
- ✓ Gateway application
- ✓ Collaboration notes/emails

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§ 578.11 Unified Funding Agency

Regulatory Requirement:
Describes designation of a UFA to apply on behalf of the Continuum.

Partner Agency Compliance Narrative:

Explain how your agency coordinates with CSB and supports funding processes.

Write Narrative Here:

Suggested Documentation:

- ✓ MOUs with the CSB
- ✓ Funding coordination plans

✓ Payment agreements
✓Gateway budget narrative

Application and Grant Award Process

§ 578.15 Eligible applicants

Regulatory Requirement:
Defines eligible applicants that may receive CoC funds.

Partner Agency Compliance Narrative:

Describe your agency's eligibility as an applicant or subrecipient.

Write Narrative Here:

Suggested Documentation:

✓ Organizational eligibility documentation
✓ Letters of designation by CoC

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§ 578.21 Awarding funds / § 578.23 Executing grant agreements

Regulatory Requirement:
Describes award notifications and agreement execution steps.

Partner Agency Compliance Narrative:

Describe your agency's grant award process and compliance with agreement terms.

Write Narrative Here:

Suggested Documentation:

✓ Award letters
✓ Signed grant agreements
✓ Subrecipient contracts

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§ 578.37 Program Components and Uses of Assistance

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§ 578.37 Rapid Re-Housing (RRH) Universal Requirements (CoC only)

Under the **Continuum of Care (CoC)** program, Rapid Re-Housing (RRH) includes several program types that may have **additional or slightly different requirements**. However, the requirements outlined below should be considered **universal to all RRH programs**, with the understanding that individual program models may include **additional program-specific requirements**.

Primary Monitoring Sources

- CoC RRH monitoring exhibit
- Housing and rental assistance requirements

Key Client File Items HUD Monitors, located in the Monitoring Tools

Requirement	Examples of Acceptable Documentation
Homeless eligibility verification	HMIS record; shelter discharge documentation; outreach certification
Program intake and assessment	Intake forms; coordinated entry referral; vulnerability assessment
Housing stabilization plan	Individualized housing service plan (IHSP); case plan
Lease documentation	Signed lease agreement; participant lease addendum
Rent reasonableness determination	Comparable rent analysis; rent comparison form
Fair Market Rent compliance	FMR comparison worksheet
Rental assistance agreement	Written agreement between agency and landlord
Housing inspection (if required)	Housing quality standards inspection form
Rental assistance payments	Payment ledger; invoices; landlord receipts
Case management services	Case notes; housing search assistance documentation
Income verification for rent contribution	Pay stubs; benefits statements

HUD monitoring emphasizes verifying that **housing assistance complies with rent standards and participants were homeless prior to enrollment.**

---

§ 578.37 Job-to-Housing Rapid Re-Housing (RRH)

Regulatory Requirement

Provide rapid re-housing assistance that prioritizes employment-connected households and integrates housing stabilization with workforce engagement, without conditioning housing on employment status.

Partner Agency Compliance Narrative

Describe how your agency administers Job-to-Housing RRH in accordance with HUD Rapid Re-Housing requirements, including:

- Housing search and placement independent of employment outcomes
- Coordination between housing and employment services
- Rental assistance structure and duration
- Eligibility, prioritization, and referrals
- Housing stabilization during job transitions

Write Narrative Here:

Suggested Documentation to Demonstrate Compliance

✓ Housing placement records
✓ Rental assistance agreements
✓ Employment coordination referrals (non-conditional)
✓ Individual housing stabilization plans
✓ Rent reasonableness and lease compliance documentation

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§ 578.93, VAWA Domestic Violence Rapid Re-Housing (DV-RRH)

Regulatory Requirement

Provide trauma-informed rapid re-housing assistance for survivors of domestic violence, dating violence, sexual assault, or stalking, ensuring confidentiality and survivor safety.

Partner Agency Compliance Narrative

Describe how your agency administers DV-RRH in accordance with HUD and VAWA requirements, including:

- Survivor-defined safety and housing planning
- Confidentiality and data protection practices
- Eligibility determination using alternative documentation
- Housing placement and rental assistance procedures
- Coordination with victim service providers

Write Narrative Here:

Suggested Documentation to Demonstrate Compliance

✓ Confidential housing and safety plans
✓ Rental assistance agreements (de-identified as appropriate)
✓ Victim certification or alternative documentation
✓ VAWA policies and confidentiality procedures
✓ Housing stabilization and follow-up documentation

---

§ 578.37 Youth Rapid Re-Housing (Youth RRH)

Regulatory Requirement

Provide developmentally appropriate rapid re-housing assistance for youth and young adults experiencing homelessness, prioritizing safety, stability, and long-term housing outcomes.

Partner Agency Compliance Narrative

Describe how your agency administers Youth RRH in accordance with HUD requirements, including:

- Age-appropriate eligibility and prioritization
- Youth-centered housing search and placement
- Rental assistance standards and duration
- Supportive services coordination tailored to youth needs
- Housing stability and transition planning

Write Narrative Here:

Suggested Documentation to Demonstrate Compliance

✓ Youth eligibility and intake records
✓ Housing placement documentation
✓ Rental assistance agreements
✓ Individualized housing stability plans
✓ Case notes reflecting youth-centered engagement

---

§ 578.37 Transitional Housing (TH)

Regulatory Requirement

Provide time-limited, service-intensive housing designed to facilitate movement to permanent housing through structured supports and housing planning.

Partner Agency Compliance Narrative

Describe how your agency administers Transitional Housing in accordance with 24 CFR § 578.37, including:

- Admission criteria and length-of-stay standards
- Lease or occupancy agreements
- Supportive services and housing planning
- Transition planning to permanent housing
- Participant rights and grievance procedures

Write Narrative Here:

Primary Monitoring Sources

- CoC Transitional Housing monitoring exhibit
- CoC participant eligibility and services requirements

Key Client File Items HUD Monitors, located in the Monitoring Tools

Requirement	Examples of Acceptable Documentation
Homeless eligibility documentation	Shelter discharge records; outreach documentation; HMIS verification
Program enrollment documentation	Intake form; program agreement; occupancy agreement
Housing plan or service plan	Individual service plan; case management goals
Supportive services documentation	Case notes; employment services documentation
Length of stay monitoring	Entry/exit dates; occupancy logs
Participant rent contributions	Rent calculation worksheet; payment records
Exit planning	Housing placement documentation; permanent housing referral
HMIS participation	HMIS entry/exit records

HUD focuses on verifying that **participants were homeless at entry and that the program provides supportive services aimed at permanent housing placement.**

---

§ 578.37 – Permanent Supportive Housing

Regulatory Requirement

Permanent Supportive Housing (PSH) provides long-term housing assistance combined with supportive services to assist individuals and families experiencing homelessness who have a disability to achieve housing stability. PSH projects must comply with Continuum of Care Program requirements, including participant eligibility, housing quality standards, supportive services delivery, and housing retention practices.

Partner Agency Compliance Narrative

Describe how your agency operates Permanent Supportive Housing in compliance with 24 CFR § 578.37 and related CoC program requirements, including:

- Verification that program participants meet HUD's definitions of homelessness and disability
- Use of Coordinated Entry for participant prioritization and referral
- Housing placement and lease requirements consistent with HUD guidance
- Delivery of voluntary supportive services designed to promote housing stability
- Case management practices, including individualized housing service plans
- Strategies used to support long-term housing retention and stability

Write Narrative Here:

Primary Monitoring Sources

- CoC PSH monitoring exhibit
- CoC program participant requirements

Key Client File Items HUD Monitors, located in the Monitoring Tools

Requirement	Examples of Acceptable Documentation
Chronic homelessness verification (if applicable)	Third-party documentation of homelessness; HMIS records; outreach verification; disability verification
Disability verification	Licensed professional certification; SSI/SSDI documentation
Program intake and eligibility determination	Intake forms; coordinated entry referral
Lease documentation	Tenant lease agreement; lease addendum
Rent calculation	Tenant rent calculation worksheet; income verification
Housing quality compliance	HQS / NSPIRE inspection report
Supportive services participation	Case management notes; service referrals
Housing retention support	Housing stability plans; service plans

Requirement	Examples of Acceptable Documentation
Annual income recertification	Updated income documentation
HMIS data documentation	Client profile; service transactions

HUD reviewers confirm that **participants meet chronic homelessness and disability requirements and that housing assistance complies with program regulations.**

---

§ 578.53 Supportive Services (CoC-Funded)

Regulatory Requirement

Provide eligible supportive services necessary to help participants obtain and maintain permanent housing, without requiring service participation as a condition of housing.

Partner Agency Compliance Narrative

Describe how your agency administers supportive services in accordance with 24 CFR § 578.53, including:

- Eligible service types provided
- Voluntary service participation
- Coordination with housing assistance
- Documentation of service delivery
- Monitoring service outcomes related to housing stability

Write Narrative Here:

Suggested Documentation to Demonstrate Compliance

✓ Service eligibility and delivery records
✓ Case notes documenting voluntary participation
✓ Referrals and service coordination logs
✓ Policies confirming services are not housing-conditional
✓ Outcome tracking related to housing stability

---

§ 578.57 HMIS Data Standards - HMIS Administration

Regulatory Requirement

Administer and operate the Homeless Management Information System (HMIS) in compliance with HUD data standards, privacy, security, and reporting requirements.

Partner Agency Compliance Narrative

Describe how your agency administers HMIS responsibilities in accordance with HUD HMIS requirements, including:

- Data quality, timeliness, and accuracy controls
- User access and security management
- Privacy notice and consent procedures
- HMIS participation and reporting support
- Monitoring and correction of data quality issues

Write Narrative Here:

Suggested Documentation to Demonstrate Compliance

✓ HMIS policies and procedures
✓ User access and training records
✓ Privacy notices and consent forms
✓ Data quality monitoring reports
✓ Corrective action and data cleanup documentation

---

§ 578.49 Leasing

Regulatory Requirement:
Funding may be used for leasing costs in eligible projects.

Partner Agency Compliance Narrative:

Describe how your agency uses CoC funds for leasing and compliance with leasing requirements.

Write Narrative Here:

Suggested Documentation:

✓ Lease agreements
✓ Rent reasonableness documentation

---

§ 578.51 Rental assistance

Regulatory Requirement:
Comprehensive rental assistance provisions.

Partner Agency Compliance Narrative:

Describe rental assistance delivery and compliance with HUD standards.

Write Narrative Here:

Suggested Documentation:

- ✓ Rental assistance agreements
- ✓ Tenant eligibility verification
- ✓ Payment records

---

§ 578.73 Matching requirements

Regulatory Requirement:
Details match expectations for CoC grants.

Partner Agency Compliance Narrative:

Explain how your agency meets matching requirements.

Write Narrative Here:

Suggested Documentation:

- ✓ Match contribution records
- ✓ Valuation methodology

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§ 578.75 General Operations

Regulatory Requirement:
Describes general operational rules.

Partner Agency Compliance Narrative:

Describe how your agency ensures operational compliance.

Write Narrative Here:

Suggested Documentation:

✓ Operational policies
✓ Compliance checklists
✓ Self-monitoring schedules
✓ Self-monitoring policies

---

§ 578.77 Calculating occupancy charges and rent

Regulatory Requirement:
Explains how rents/charges are calculated.

Partner Agency Compliance Narrative:

Describe your rent/occupancy calculation policies.

Write Narrative Here:

Suggested Documentation:

✓ Rent calculation worksheets
✓ Occupancy records

---

§ 578.83 Displacement, relocation, and acquisition

Regulatory Requirement:

If CoC-funded work might cause people to move, HUD expects you to prevent displacement where you can—and if you can't, you must follow **URA/Fair Housing protections**, cover eligible costs, and treat temporary moves as permanent if they exceed one year.

Partner Agency Compliance Narrative:

Describe any displacement/relocation actions and compliance.

Write Narrative Here:

Suggested Documentation:

✓ Displacement determinations
✓ Notices to affected persons

---

§ 578.93 Fair Housing and Equal Opportunity

Regulatory Requirement:
Mandates compliance with fair housing and equal opportunity requirements.

Partner Agency Compliance Narrative:

Describe your fair housing and equal opportunity policies and practices.

Write Narrative Here:

Suggested Documentation:

- ✓ Fair housing training records
- ✓ OEO policies

14. Recordkeeping Requirements

Partner Agencies must maintain, assessments, letters, reports, CAPs, and follow-up materials.

Grant Administration (ESG)

§ 576.500 – Recordkeeping and Reporting Requirements

Regulatory Requirement

Maintain ESG records for specified periods (typically 5 years) and provide public access to records consistent with privacy laws.

Partner Agency Compliance Narrative

Describe how your agency manages recordkeeping and reporting to support compliance with 24 CFR § 576.500.

Write Narrative Here:

Suggested Documentation to Demonstrate Compliance

- ✓ IDIS reporting extracts (**Provided by the City, County, and State**)
- ✓ Record retention schedules
- ✓ Public access policy statements
- ✓ Confidentiality compliance documentation

Grant Administration (CoC)

§ 578.103 Recordkeeping requirements

Regulatory Requirement:
CoC programs must maintain records, typically 5 years, in accordance with HUD standards.

Partner Agency Compliance Narrative:

Describe your recordkeeping practices.

Write Narrative Here:

Suggested Documentation:

- ✓ Document retention schedules
- ✓ File structure examples

---

§ 578.107 Sanctions / § 578.109 Closeout

Regulatory Requirement:
Sanctions and closeout procedures for CoC grants.

Partner Agency Compliance Narrative:

Describe how your agency manages grant closeout and addresses corrective actions.

Write Narrative Here:

Suggested Documentation:

- ✓ Closeout checklists
- ✓ Correspondence about corrective actions

15. Continuous Improvement

Description

Continuous improvement activities are ongoing, structured efforts used by Partner Agencies to strengthen **program performance**, **compliance**, and **service quality**. HUD expects recipients to **regularly review performance data**, **monitoring results**, **operational practices**, and to make **adjustments** that improve outcomes and reduce risk.

Process

Effective continuous improvement typically includes:

1. Review Performance and Compliance Information
    - Analyze program outcomes, HMIS data quality, financial reports, and monitoring results.
    - Identify trends, gaps, and recurring issues.
2. Identify Root Causes
    - Determine why issues occur, focusing on systems, policies, staffing, or training rather than isolated errors.
3. Implement Targeted Improvements
    - Update procedures, tools, or workflows.
    - Provide focused staff training or technical assistance.
    - Strengthen internal controls and supervision.
4. Document Actions Taken
    - Record changes, timelines, and responsible staff.
    - Maintain documentation showing improvements were implemented.
5. Monitor Results
    - Re-review data and performance to confirm improvements are effective and sustained.

Partner Agency Compliance Narrative:

Describe your continuous improvement plan.

Write Narrative Here:

Purpose

The purpose of continuous improvement activities is to:

- Improve program outcomes for participants.
- Prevent repeat findings or compliance issues.
- Strengthen data quality and decision-making.
- Reduce program and financial risk.
- Demonstrate responsible stewardship of HUD funds.

Continuous improvement supports HUD's risk-informed monitoring approach by helping Partner Agencies address issues early, adapt to changing requirements, and maintain consistent compliance over time. This **is not a one-time corrective action** but an **ongoing management practice** that promotes **accountability**, **effectiveness**, and **long-term program stability** across HUD-funded homeless assistance programs.

Appendix A – Monitoring Notification Template

[CSB Letterhead – Example Only]

Date: _____

To: [Subrecipient Agency]

Attn: [Program Director]

Subject: Monitoring Notification – [Program Name]

Dear [Name],

This letter serves as formal notification that the Community Shelter Board will conduct programmatic and fiscal monitoring of your Continuum of Care (CoC) and CSB funded projects:

Program: _____

Monitoring Type: Desk / On-Site / Hybrid

Monitoring Dates: _____

Site/Exit Summary Date:_____

Documents Required (due 10 business days before monitoring):

The following documents must align with the narratives provided within CSB Monitoring Handbook uploaded to your dedicated SharePoint site. Please upload documents to: [secure upload link]

- Policies & procedures
- Organizational chart and job descriptions
- Financial general ledger, invoices, and draw documentation
- Match/leverage documentation
- HMIS Data Quality Reports

- Performance Reports
- Client file list (DV only)

The following should align with the Client File Monitoring Tools uploaded to your dedicated SharePoint site. These Files should be uploaded into Clarity.

- Active, inactive, and exited case files (for sampling)

The ICQ should be completed in Submittable.

If you have questions, contact: _____.

Sincerely,

_____

CSB PR&C Team

Appendix B – Monitoring Schedule Template for Partner Agency

Monitoring Schedule Template

Partner Agency Name	Legal name of the Partner Agency responsible for program implementation.
Program Name	The official program name as reflected in the executed contract and HMIS.
Program Type	Example: Emergency Shelter, Street Outreach, Rapid Re-Housing, Permanent Supportive Housing, Homelessness Prevention, Supportive Services Only, or Other Funded Program.
Current Year Risk Level	Assigned risk level (Low, Medium, or High) based on the UFA's Risk Assessment Tool (see Appendix C). (New for FY27)
Previous Year Risk Level	Risk level assigned during the prior monitoring cycle, if applicable/available.
Monitoring Type	**Desk** – Off-site review of documents, data, and reports **On-Site** – In-person review at program location(s) **Hybrid** – Combination of desk monitoring and targeted on-site activities
Assigned Reviewers	CSB staff responsible for conducting the monitoring review if known.
Scheduled Date	Anticipated start date for monitoring activities.
Monitoring Period	The timeframe under review which is the current contract period.
Partner Agency Contacts	• Primary and secondary staff contacts for monitoring coordination (name, title, email, phone).

Professional Practice Notes (Optional – for Internal Use)

- Low-risk programs are typically monitored on a **rotational or desk-based cycle**.
- Medium-risk programs often receive **hybrid monitoring**.
- High-risk programs are prioritized for **annual and/or on-site monitoring** with enhanced follow-up.
- Publishing or sharing this schedule aligns with HUD's risk-based monitoring expectations and promotes partnership, predictability, and compliance readiness.

This is all tracked internally on the PR&C Agency programs-timeframe Excel document on the top level of the current monitoring year's SharePoint folder.

Appendix C – Risk Assessment Tool

Work Sheet for Risk Assessment Based Monitoring

This is an example. A copy of the final version is located on the CSB website at https://www.csb.org/providers/monitoring/. Use of this document is not in effect for the FY26 monitoring cycl commence for the FY27 monitoring cycle.

Risk rating thresholds (normalized score 0–100)

Risk Level	Min Score
High	51
Medium	30
Low	0

Recommended monitoring approach

High	On-site (or hybrid) at least annually; targeted file more frequent desk monitorings; require QIP if iss
Medium	Remote monitoring / desk monitoring at least sem annually; periodic sampling of transactions; targe technical assistance.
Low	Desk monitoring at least annually; rely on standa reporting plus limited testing; monitor if triggers c

Scoring model (points + weights)

Code	Factor	Subfactor	High pts	Medium pts	Low pts	Weight	Max (High*Weight)	
GM_A	Grant Management	Subrecipient Reporting	6	4	0	1	6	See Tab
GM_B	Grant Management	Staff Capacity & Program Design	10	8	0	1	10	See Tab
GM_C	Grant Management	Program Complexity	12	8	0	1	12	See Tab
GM_D	Grant Management	Open or Stalled Activities	6	4	0	1	6	See Tab
GM_E	Grant Management	Findings & Sanctions (Monitoring/OIG)	10	6	0	1	10	See Tab
GM_F	Grant Management	Cross-Cutting Requirement Compliance	4	2	0	1	4	See Tab
GM_G	Grant Management	Time Since Last On-Site Monitoring	4	2	0	1	4	Inclu 'Nev mon optic defir
FM_A	Financial Management	Financial Staff Capacity	8	4	0	1	8	See Tab

FM_B	Financial Management	Finding Resulting in Repayment/Grant Reduction	12	6	0	1	12	See Tab
FM_C	Financial Management	Award Size (configurable)	10	6	0	1	10	See Tab
FM_D	Financial Management	Program Income (complexity/volume)	4	2	0	1	4	See Tab
FM_E	Financial Management	Single Audit / Financial Reporting Issues	4	2	0	1	4	See Tab
SS_A	Services & Satisfaction	Citizen Complaints / Negative Media	6	2	0	1	6	See Tab
SS_B	Services & Satisfaction	Responsiveness	4	2	0	1	4	See Tab
CSB_1	CSB Custom	CSB Client File Monitoring	2	1	0	2	4	See Tab
CSB_2	CSB Custom	Program Outcomes (POPS)	2	1	0	2	4	See Tab
CSB_3	CSB Custom	HMIS Data Integrity	2	1	0	3	6	See Tab

This documentation is administered by CSB.

Code	Term	Definition
CSB_1	CSB Client File Monitoring	HUD would most likely classify Client File Accuracy and Completeness as Low at 95–100, Medium at 80–94, and High below 80, reflecting increasing levels of compliance risk.
CSB_3	HMIS Data Integrity	HUD would most likely classify HMIS Data Integrity as Low at 90–100, Medium at 75–89, and High below 75, reflecting increasing levels of data quality risk and monitoring concern.
CSB_3	Program Outcomes (POPS)	HUD would most likely classify Performance Outcomes as Low risk at 85–100, Medium risk at 70–84, and High risk below 70, reflecting increasing concern about program effectiveness.
FM_A	Financial Staff Capacity	Financial staff capacity evaluates whether the people responsible for budgeting, accounting, and financial oversight have the skills, time, and structure needed to manage HUD funds correctly.

FM_B	Finding Resulting in Repayment/Grant Reduction	It refers to a monitoring or audit finding so serious that HUD or the pass-through entity required money to be paid back or reduced the amount of funding awarded.
FM_C	Award Size	Award size refers to the total amount of HUD funding an organization receives and is commonly grouped into small (Typically under $100K), medium (Typically $100 to $500K) , and large (Typically over $500K) funding levels, with larger awards requiring increased oversight due to higher financial risk and program complexity.
FM_D	Program Income (complexity/volume)	Program Income (complexity/volume) looks at whether a program generates little or a lot of program income and how challenging it is to manage that income correctly.
FM_E	Single Audit / Financial Reporting Issues	Single Audit / Financial Reporting Issues means that an organization's audit or financial reports revealed concerns about how federal funds are managed or reported.
GM_A	Sub-recipient Monitoring	Subrecipient monitoring means regularly checking that partner agencies receiving HUD funds are following the rules, managing funds properly, and delivering services as intended.
GM_B	Staff Capacity and Program Design	Staff Capacity and Program Design evaluates whether a program is set up to work and whether staff have the ability, training, and resources to run it properly.
GM_C	Program Complexity	Program complexity measures how difficult a program is to manage correctly, given the number of rules, activities, funding streams, and operational moving parts involved.
GM_D	Open/Stalled Activities	Open or stalled activities are HUD-funded projects that have been approved or started but remain incomplete, inactive, or delayed without timely progress or documented justification.
GM_E	Findings & Sanctions (Monitoring/OIG)	Findings & Sanctions (Monitoring/OIG) means documented compliance problems identified by CSB, HUD or the HUD Office of Inspector General and any penalties, corrective actions, or enforcement measures imposed as a result.
GM_F	Cross-cutting Requirements	Cross-cutting requirements are non-program-specific federal rules that apply to all HUD-funded programs and govern civil rights, fair housing, labor standards, environmental protection, financial integrity, and administrative decision-making, rather than program or service design.

GM_G	Time Since Last On-site Monitoring	Time since last on-site monitoring refers to the length of time since a program or subrecipient was last reviewed in person by the oversight entity. Suggested risk assessment is: Low risk ≤ 12 months , Medium risk 13 to 36 months, and High risk > 36 months, reflecting increasing concern about program effectiveness, and undetected compliance or operational issues..
SS_A	Citizen Complaints / Negative Media	Citizen Complaints / Negative Media means reports from the public or media that suggest potential problems with how a HUD-funded program is being run.
SS_B	Responsiveness	Responsiveness measures whether a program listens to clients and acts in a timely and appropriate way to address their needs or concerns.
	Hud Style Recipient Model	"Based on HUD-style subrecipient model examples" means that the approach, structure, or content is modeled after how HUD typically expects subrecipients to operate, document, and be monitored, using HUD's standard frameworks, guidance, and oversight practices rather than local or customized models.

Appendix D – Desk Monitoring Checklist

This tool will be program specific and used for all Partner Agencies.

Desk Monitoring Tool

Desk Monitoring Checklist – These are reflected in the program-based monitoring tools, which are uploaded to https://www.csb.org/providers/monitoring/ and the CBS Monitoring Handbook.

Program Documentation
- Policies & procedures current and approved
- Staffing & organizational chart
- Subrecipient agreement

Eligibility Documentation
- Homeless status documentation
- Prioritization (CE/HAST)
- Annual/Interim eligibility updates

Case File Documentation
- IHSP/Housing Stability Plans with SMART goals
- Services documented and match case plan
- Exit documentation complete

Performance Review
- Exits to permanent housing
- Returns to homelessness
- Income changes

Financial Review
- General ledger matches drawdowns
- Allowable costs under 2 CFR 200
- Match documentation correct

Data Quality Review
- HMIS error rates
- Universal Data Elements complete
- Timely data entry

Appendix E – On-Site Monitoring Checklist

This tool will be program specific and used for identified high risk programs or programs of concern identified by the COC Board or CSB Leadership.

On-Site Monitoring Tool

On-Site Monitoring Checklist - – These are reflected in the program-based monitoring tools, which are uploaded to https://www.csb.org/providers/monitoring/ and the CBS Monitoring Handbook.

Entrance Conference
- Introductions & overview
- Clarify scope and timeline

Facility Review
- Habitability/NSPIRE (if applicable)
- Privacy & confidentiality
- Safety and accessibility

Staff Interviews
- Program manager, Case managers, Fiscal staff

- Policies & procedures current and approved
- Staffing & organizational chart
- Subrecipient/Contractor agreements

Client File Sampling
- Active cases
- Exited cases
- Eligibility documentation
- IHSP/Housing Stability Plans with SMART goals
- Services documented and match case plan
- Exit documentation complete

Financial Sampling
- Invoices, receipts, allocations
- Match/leverage verification
- Allowable costs under 2 CFR 200
- Match documentation correct

Data Quality Review
- HMIS error rates
- Universal Data Elements complete
- Timely data entry

Exit Conference

- Preliminary findings
- Questions
- Next steps

Appendix F – Client File Review Tool

This tool is project specific and is used at all levels of identified risk. Client lists are random within the contract period.

1. When applicable based on the project type, no more than 50% of the client files selected can be of exited status.
2. No less than 10 and no more than 50 total files will be pulled for each project.
    a. The formula for pulling the files is as follows: 10 files for the first 100 clients that are active within the monitoring period, unless there are less than 100 participants then the default will be 10.
    b. For programs with more than 100 participants, one participant will be chosen for every 25 participants over the first 10 participants, not to exceed a total of 50 participants.
    c. For DV programs using a secondary, comparable case management tool, this formula holds true and client data will exclude first and last name. Only the client ID will be used for monitoring.
    d. These numbers can change at the discretion of CSB

File Review Tool

Client File Review Tools will be uploaded to a secure SharePoint server with client names and number pre-filled. Client file documentation will be uploaded into Clarity and not into the SharePoint site, see **Appendix L**.

Appendix G - CSB Monitoring Report

Risk-Informed, Program-Level Monitoring Summary

1. Partner Agency Overview

Field	Response
Partner Agency Name	Click or type here
Monitoring Type	☐ On-Site ☐ Hybrid ☐ Desk
Monitoring Period Reviewed	July 1st – June 30th, 20XX
Monitoring Date(s)	
Monitoring Staff	
Programs Included in Review	

2. Monitoring Scope & Methodology

Field	Response	
Monitoring Activities Conducted	☐ File Review, ☐ HMIS, Financial, ☐ Interviews, ☐Observation	
Sampling Method	☐ Random, ☐ Risk-Based, ☐ Targeted	
Client Files Reviewed	Total All Programs	
HMIS Records Reviewed	Total All Programs	
Financial Transactions Reviewed	Total All Programs	

3. Program-Level Monitoring Results

Complete this section for EACH program reviewed
(duplicate this section as needed)

Program Identification

Field	Response
Program Name	Click or type here
Program Type	☐ ESG ☐ CoC ☐ Other
Project/Grant Number	Click or type here
Program Model	☐ OR, ☐ CE, ☐ DIV, ☐ HP, ☐ ES, ☐ PSH, ☐ RRH, ☐ TH,
Annual Grant Amount	$
Target Population	☐ Family, ☐ Single Adult Female, ☐ Single Adult Male, ☐ Youth

Program Monitoring Scope

Field	Response
Client Files Reviewed	# of Files
HMIS Records Reviewed	# of Records
Financial Items Reviewed	# of Items

A. Strengths & Struggles (Replicate as needed)

Program Name	Click or type here
Program Strengths	Click or type here
Program Challenges	Click or type here
Program Name	Click or type here
Program Strengths	Click or type here
Program Challenges	Click or type here

B. Client File Monitoring Scores (Replicate as needed)

Program Name	%
Program Name	%
Program Name	%

C. HMIS / Data Monitoring Scores (Replicate as needed)

Program Name	%
Program Name	%
Program Name	%

D. Financial & Administrative Review (if applicable)

(Aligned with 2 CFR Part 200)

Area	Summary
ICQ	Click or type here
Invoice Accuracy	Click or type here
Late Invoices	Click or type here
Financial Compliance Summary	Click or type here

E. Findings, Concerns & Required Actions (Replicate as needed)

Program Name	Click or type here
☐ **Finding,** ☐ **Concern,** ☐ **Observation**	Click or type here
Required Action	☐ Yes, ☐ No
Program Name	Click or type here
☐ **Finding,** ☐ **Concern,** ☐ **Observation**	Click or type here
Required Action	☐ Yes, ☐ No

F. Program-Level Risk Rating (Replicate as needed)

Program Name	Click or type here
Program Risk Rating	☐ Low ☐ Moderate ☐ High
Rationale	Click or type here
Program Name	Click or type here
Program Risk Rating	☐ Low ☐ Moderate ☐ High

Rationale	Click or type here

4. Agency-Level Summary (Cross-Program Analysis)

A. Overall Strengths & System Themes

Agency-Wide Strengths	Click or type here
Cross-Program Challenges	Click or type here

B. Overall Monitoring Scores

Overall, Client File Monitoring Score	%
Overall, Data Monitoring Score	%

Scores reflect aggregated results across all reviewed programs.

C. Priority Concerns & Recommended Remediation

Program Name	Concern	Recommended Remediation
Click or type here	Click or type here	Click or type here
Click or type here	Click or type here	Click or type here
Click or type here	Click or type here	Click or type here
Click or type here	Click or type here	Click or type here

D. Risk-Scoring Summary (Agency Roll-Up)

Category	Score (1-3)	Weight	Weighted Score
Organizational Performance	0	0	0
Client File Review	0	0	0
HMIS / Data Quality	0	0	0

Category	Score (1-3)	Weight	Weighted Score
Financial Management	0	0	0
Prior Monitoring History	0	0	0
Organizational Capacity	0	0	0

E. Overall Agency Risk Rating

	Response
Overall Risk Rating 1 Low, 2 Moderate, 3 High	0
Rationale for Rating	Click or type here

5. Corrective Action & Follow-Up (Replicate as needed)

*(Must be completed within **30 days** of receipt of this report)*

Corrective Action Required	Click or type here
Documentation to be Submitted	Click or type here
Quality Improvement Plan Required	☐ Yes ☐ No
Follow-Up Monitoring Required	☐ Yes ☐ No
Corrective Action Required	Click or type here
Documentation to be Submitted	Click or type here
Quality Improvement Plan Required	☐ Yes ☐ No
Follow-Up Monitoring Required	☐ Yes ☐ No

6. Acknowledgement

Partner Agency Representative Name	Click or type here
Title	Click or type here
Signature	Click or type here
Date	Click or type here
CSB Representative Name	Click or type here

Title	Click or type here
Signature	Click or type here
Date	Click or type here

Appendix H – Quality Improvement Plan Template

Quality Improvement Plans are typically used when a significant finding has been identified, but CSB reserves the right to request a CAP for any project they believe requires improvement of the HUD and CSB regulations. The CAP tool will be available on the www.csb.org website within the Monitoring section. It will include the following:

Quality Improvement Plan (QIP) Tool

Instructions:
• Submit QIP within 30 days of monitoring report.
• Evidence may include updated policies, screenshots, HMIS corrections, training logs

Partner Agency Quality Improvement Plan (QIP) Worksheet

Section 1: Agency Information

Partner Agency Name: _____

Program Name(s): _____

Monitoring Period: _____

Date Final Report Issued: _____

QIP Submission Due Date (30 days): _____

Primary Contact Name & Title: _____

Email: _____

Phone: _____

Section 2: Summary of Findings

List each finding from the monitoring report.

Finding #	Category	Description of Finding	Risk Level	HUD Critical Compliance Element (Y/N)

Section 3: Corrective Action Plan (repeat for each finding)

Finding #: _____

Finding Description:

_____

_____

Root Cause Analysis (check all that apply):

☐ Staff training gap

☐ Process unclear or not documented

☐ Policy/procedure missing or outdated

☐ Data entry/system issue

☐ Capacity/staffing constraints

☐ Oversight/quality control gap

☐ Other:

Explanation:

_____

_____

Corrective Actions:

Action Step	Responsible Staff	Start Date	Completion Date	Status

File-Level Corrections:

Total files impacted: _____ Files corrected: _____

Method: ☐ File updated ☐ Documentation added ☐ HMIS corrected ☐ Financial adjustment ☐ Other

Prevention Strategy:

_____

_____

Quality Control Measures:

☐ Monthly review ☐ Quarterly monitoring ☐ HMIS validation ☐ Supervisor sign-off ☐ Other

Expected Outcome / Success Metric:

☐ 100% compliance ☐ ≥95% compliance ☐ Zero repeat findings ☐ Other

Section 4: HUD Critical Compliance Elements

☐ All impacted files corrected

☐ Financial adjustments completed (if applicable)

☐ Supervisory verification completed

☐ Documentation monitoring-ready

Signature: _____ Date: _____

Section 5: Agency Leadership Review

Executive Director / Program Director:

_____

Comments:

_____

Signature: _____ Date: _____

Appendix I – Submission Deadlines

Activity	Responsible	Date or Timeframe	Documentation of Deliverable
Risk Assessment from Previous PR&C Monitoring is completed and reported to the CSB Executive Leadership Team (ELT).	PR&C Manager	First Business Day in January	Risk Assessment Report
Changes to Subrecipient Monitoring Guidelines for the UP coming PR&C cycle	PR&C Manager	Coc and CSB Board meeting in first quarter of the CY.	Updated Subrecipient Monitoring Guidelines
Primary and back-up monitoring contact provided by Partner Agencies (PAs)	PAs	No Later than the last business day in April.	Contact Information: Name, Title, Phone #, and Email Address for Primary and back-up monitoring contact.
Posting of Board Approved Subrecipient Monitoring Guidelines to www.csb.org	PR&C Manager	No later than the 1st business day in May, sooner if available.	Web page updated https://www.csb.org/providers/monitoring/
Posting all of the updated supporting documentation for the upcoming Monitoring Cycle.	PR&C Manager	No later than the 1st business day in May, sooner if available.	Web page updated https://www.csb.org/providers/monitoring/
Grant access to the PAs to their individual, secure SharePoint Monitoring folder.	PR&C Manager	No later than the 1st business day in May	SharePoint Folder with: CSB UFA Monitoring Handbook
• Monitoring Tools w/Client Lists	PR&C Manager	No earlier than 10 business days and no later than 5 business days before scheduled monitoring.	SharePoint Folder with: Monitoring Tools for each program type pre-filled with clients' last name and HMIS #
Schedule all PR&C Monitorings, with confirmed monitoring dates.	PR&C Manager	No later than the 1st business day in May	An updated, internal, PR&C Agency Programs - Timeframe.xls in SharePoint

The ICQ made available in Submittable to PAs.	PR&C Manager	No later than the 1st business day in May	Submittable Access notification via email
PR&C Monitoring Meeting with PA Primary and back-up contacts to discuss changes for the upcoming Monitoring Cycle	PR&C Manager and PAs	No later than June 15th	Training and information presentation for the PAs with updates and changes.
Previous Year Monitoring Cycle Begins	PR&C Manager	First Business Day in July	None
All requested organizational and program documentation uploaded to SharePoint or Submittable	PAs	No later than 10 business days before scheduled monitoring	Requested information in the CSB UFA Monitoring Handbook and the ICQ.
Upload all requested client files into Clarity for Desktop Monitoring	PAs	By the morning of the scheduled monitoring.	Client files should be uploaded into Clarity using the uploading protocols detailed in Appendix L of the CSB UFA Monitoring Handbook.
Pull all requested physical documentation for On-site Monitorings	PAs	By the morning of the scheduled monitoring.	Client files, financial documents, Client handbooks, etc.
Exit Summary Meeting	PR&C Manager, HMIS Manager, PA Team	One week of monitoring completion	The PR&C and HMIS Manager from CSB will arrange an on-site meeting with the PA's selected team to review the monitoring and answer any questions.
Final Monitoring Report	PR&C Manager	30 Days after Monitoring	Approved PR&C Monitoring Report and Close Out Email
Quality Improvement Plan (QIP)	PAs	30 Days after receipt of Final Monitoring Report.	The QIP
Monitoring Findings Appeals	PAs	14 Days after receipt of Final Monitoring Report.	Formal appeal request from PA with detailed information of what is being appealed, why the PA believes it to be in error, and any back-up documentation to support the appeal.

Previous Year Monitoring Cycle Ends	PR&C Manager	Last business day of November	None
Annual PA Risk Assessment	PR&C Manager	No later than the last business day of December.	The completed Risk Assessment form by all contributing departs.

Appendix J - Continuous Improvement Monitoring Form

This form is to help the Partner Agencies with their internal discussions on continuous improvement activities and can serve as official documentation.

Program Information

Agency Name: _____

Program Name(s): _____

Funding Source(s): _____

Monitoring Period Reviewed: _____

Date of Review: _____

Reviewer: _____

Date of Review: _____

1. Review of Performance and Compliance Information

Data Reviewed (check all that apply):
☐ Program performance outcomes
☐ HMIS data quality reports
☐ Financial or drawdown reports
☐ Prior monitoring findings
☐ Internal QA reviews
☐ Client feedback
☐ Other: _____

Summary of Key Findings:
_____
_____

2. Root Cause Analysis

Primary Issue(s) Identified:
_____

Root Cause(s) (check all that apply):
☐ Policy or procedure gaps
☐ Staff training needs
☐ Staffing capacity
☐ Workflow or process issues
☐ Data entry or HMIS practices
☐ Supervision or oversight gaps
☐ External/systemic factors
☐ Other: _____

3. Improvement Actions

Improvement Action | Type of Action | Responsible Staff | Target Date

_____

_____

4. Documentation and Accountability

Documentation Maintained:
☐ Updated policies or procedures
☐ Training materials
☐ Revised tools or forms
☐ Meeting notes
☐ Other: _____

Documentation Location:

_____

Agency Representative: _____ Date: _____

Date Submitted: _____

This Section to be completed by CSB PR&C

5. Follow-Up and Effectiveness Review

Follow-Up Conducted? ☐ Yes ☐ No ☐ Scheduled
Date of Follow-Up: _____

Results:
☐ Improvement sustained
☐ Partial improvement
☐ No improvement

Explanation:

_____

6. Overall Assessment

☐ Strong continuous improvement practices
☐ Adequate practices with minor enhancements needed
☐ Improvement process needs strengthening

Reviewer Comments:

_____

Reviewer Signature: _____ Date: _____

Agency Representative: _____ Date: _____

Appendix K – HUD Monitoring Readiness & Evidence Control

Purpose

This appendix documents how the Community Shelter Board (CSB) ensures that its Program Review & Certification (PR&C) monitoring framework is **HUD ready, defensible, and auditable** at any point in time. It is designed to demonstrate to HUD reviewers that CSB is **ready, defensible, and auditable.**

- Maintains effective oversight of HUD funded programs-funded programs
- Applies a risk informed monitoring approach consistently-informed monitoring approach consistently
- Retains clear evidence linking risk assessment, monitoring activity, corrective action, and follow up
- Can readily produce documentation supporting monitoring decisions

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HUD Monitoring Context

HUD monitoring of recipients and Unified Funding Agencies focuses not only on *whether monitoring occurs*, but on whether the recipient can **demonstrate control, consistency, and accountability** across its oversight system.

HUD reviewers typically assess whether the recipient can show:

- How risk is identified and prioritized
- How monitoring scope and method are determined
- How findings are documented and resolved
- How lessons learned inform future oversight

This appendix serves as CSB's formal reference for those expectations.

Monitoring Lifecycle Evidence Model

CSB's HUD readiness is based on maintaining a clear, traceable monitoring lifecycle:

1. **Risk Assessment** →
2. **Annual Monitoring Plan** →
3. **Monitoring Execution (Desk / On-Site / Hybrid)** →
4. **Monitoring Report & Risk Scoring** →

5. **Corrective Action & Follow-Up** →
6. **Updated Risk Profile**

Each stage produces defined documentation that is retained and organized for HUD review.

Evidence Control & Documentation Standards

1. Centralized Storage

All PR&C monitoring materials are stored in CSB's designated SharePoint structure by:

- Monitoring Year
- Partner Agency
- Program / Grant

Folders include, at minimum:

- Risk Assessment Tool and scoring rationale
- Monitoring notification and scope documentation
- Submitted partner documentation
    - Client Files located in Clarity/HMIS
- Monitoring tools and reviewer notes
- Monitoring reports and exit interview records
- Quality Improvement Plan (QIP) and follow-up evidence

2. Version Control

CSB maintains version control through:

- Standardized templates
- Date-stamped reports
- Final report designation following leadership approval

Superseded drafts are retained for internal reference but clearly marked as non-final.

3. Accessibility for HUD Review

PR&C leadership ensures that all monitoring documentation can be:

- Retrieved within a reasonable timeframe upon HUD request
- Presented in a logical, chronological order

- Linked clearly to the applicable regulation or standard

Risk Assessment Readiness

CSB completes an Annual Risk Assessment for all monitored programs using a standardized tool aligned with HUD's risk-informed monitoring guidance.

HUD-ready documentation includes:

- Completed risk assessment worksheets
- Definitions for each risk factor
- Documented rationale for scoring decisions
- Identification of monitoring type (desk, on-site, hybrid)

Where professional judgment modifies the numeric score or resulting monitoring approach, the rationale is documented in accordance with CSB internal procedures.

Monitoring Scope & Method Justification

For each monitoring activity, CSB retains documentation demonstrating:

- Why the program was selected for monitoring
- Why the chosen monitoring method was appropriate given the risk level
- What areas were reviewed and what areas were intentionally excluded

This ensures CSB can clearly explain to HUD **what was monitored, why it was monitored, and how conclusions were reached**.

Findings, Concerns & Corrective Action Readiness

Findings Documentation

When findings are identified, monitoring files include:

- Description of the condition
- Applicable regulatory citation
- Risk level assigned
- Required corrective action

Corrective Action Verification

CSB retains evidence showing:

- Quality Improvement Plans were submitted timely
- Actions addressed root causes
- Documentation demonstrates implementation
- Follow-up monitoring was conducted when required

Closure decisions are documented to demonstrate that issues were fully resolved and not merely acknowledged.

Cross-Functional Consistency

PR&C monitoring is coordinated with Grants, Finance, Programs, and Data & Evaluation to ensure:

- Consistent messaging
- Alignment of program, fiscal, and data findings
- Shared understanding of risks and corrective actions

Internal alignment reduces the risk of inconsistent responses during HUD interviews or reviews.

HUD Interview Readiness

CSB prepares staff involved in monitoring and oversight to articulate:

- How the risk-informed monitoring model works
- How monitoring priorities are determined
- How findings are escalated and resolved
- How monitoring results inform future decisions

Staff are expected to reference documented procedures and evidence rather than informal practices.

Continuous Improvement & System Learning

Monitoring results are used to:

- Update future risk assessments
- Identify system-wide trends
- Inform training and technical assistance
- Strengthen monitoring tools and procedures

This feedback loop demonstrates to HUD that monitoring is an active management function rather than a static compliance exercise.

Summary

This appendix documents CSB's commitment to maintaining a **HUD-ready monitoring system** that is:

- Risk-informed
- Evidence-based
- Consistently applied
- Defensible under HUD or OIG review

By maintaining clear documentation, defined processes, and cross-departmental alignment, CSB ensures that its PR&C monitoring framework meets both the letter and intent of HUD monitoring expectations.

Appendix L: Client File Sampling for PR&C Monitoring

Purpose

This appendix defines how client files are selected for PR&C monitoring and explains why balanced sampling is necessary to ensure fair, accurate, and defensible compliance conclusions.

1. Definitions

Client File Sample

A subset of client records selected from the monitoring period and reviewed to assess compliance with HUD and CSB requirements.

Representative Sample

A sample selected to reflect how the program typically operates. A representative sample includes a reasonable mix of active and exited clients (when available), case managers or service staff, and program sites or locations, if applicable. Representative samples support conclusions about overall program compliance.

Over-Sampling

The selection of too many client files from a single category (e.g., mostly exited clients, one case manager, one site, or higher-complexity cases), resulting in a sample that does not reflect the program's full caseload.

Targeted (Risk-Based) File Review

A limited number of additional client files selected intentionally to review higher-risk areas (such as terminations, appeals, documentation of homelessness, or repeat findings). Targeted reviews are used to verify specific risks and are not used to calculate overall compliance rates.

2. Client File Selection Method

Step 1: Select the Representative Sample

Client files are selected from the defined monitoring period. The sample is structured to reflect the program's caseload, including a mix of active and exited clients, when available, and distribution across staff and program locations. The representative sample is used for scoring and determining overall compliance.

Step 2: Conduct Targeted Risk-Based Review (If Applicable)

When risk indicators are present, PR&C may review a limited number of additional files. Targeted files are reviewed separately from the representative sample and inform technical assistance, corrective action, or follow-up monitoring. These results are not used to restate overall compliance results.

3. Why This Matters

Client file sampling directly affects the accuracy and fairness of monitoring outcomes. Over-sampling any one category of files can unintentionally distort results and make findings less representative of day-to-day practice. Using a representative sample supports defensible, program-level compliance conclusions, while targeted risk-based reviews allow PR&C to examine known or emerging risks without skewing results. This approach aligns with HUD's risk-informed monitoring expectations and supports CSB's goal of consistent, transparent, and partnership-oriented oversight.

4. Clarity Upload Protocols

Desk Monitoring – Client File Upload Instructions

To ensure efficient use of monitoring resources, all programs will begin with **desk monitoring**. Please follow the steps below to prepare and upload documentation in **Clarity**.

Step 1: Upload Documentation to Clarity

- Upload all **client files and HMIS supporting documentation** directly into Clarity.
- Only upload **requested supporting documentation**—do not include additional materials.

Step 2: Format All Files as PDFs

- Ensure all documents are saved and uploaded in **PDF format**.

Step 3: Use the Monitoring Tool as Your Guide

- Reference the **program-specific monitoring tool** to identify all required documentation.
- Upload only the documents that correspond to the listed requirements.

Step 4: Upload One File Per Client

For each client, upload **only one file**:

1. **Client Case File Documentation**

- Data Monitoring will use the same client file.

Step 5: Organize Documents in Order

- Arrange documents within each file in the **same order as the monitoring tool** to ensure completeness and ease of review.
- To ensure that the monitoring team can find all of the documentation, a suggested option is to but divider pages with the **name of the standard** between submitted document standard.

Step 6: Include Case Notes

- A sample of case notes is acceptable; however, documentation must demonstrate **consistent and meaningful engagement** with the client.
- HUD requires that case notes clearly support the **Individualized Housing Stability Plan (IHSP)**.

Please ensure the following:

- There are **regular case notes** documented in the file.
- There is a minimum of **one (1) case note per month** that specifically references:
    - Progress toward IHSP goals, or
    - Completion of IHSP-related objectives.
    - ***This goes into full effect for FY27.*** *(For FY26, Quarterly notes will be accepted for PSH programs.)*
- Case notes should reflect **ongoing discussions, barriers, and progress** tied directly to the IHSP.
- A **representative sample from the most recent six (6) months** of the monitoring period is acceptable.

This standard is intended to demonstrate that services are **actively supporting the client's housing stability plan over time**, not just documenting isolated interactions.

Step 7: Protect Client Privacy

- When including group notes or mediation records:
    - **Redact all identifying information** for other clients (beyond initials).

Step 8: Address Missing Documentation

- If required documentation is unavailable at the time of monitoring:
    - Upload a **written statement** explaining why the document is missing.
    - Note: This does **not replace** the required documentation but provides context for the PR&C team.

Step 9: Apply Naming Conventions

In Clarity HMIS, in the client record, go to Files. Click add a file. Choose FY26 Monitoring Support Documents from the category list drop-down menu.

Use the following file naming format for all uploads:

- **Client File:** FY26_Client File_ [HMIS ID].pdf

Example:

- FY26_Client File_EF81BB1C2.pdf

If additional file uploads are necessary, add a description after the HMIS ID:

Example:

- FY26_Client File_EF81BB1C2_income.pdf

Step 10: Meet Submission Deadline

- All client file documentation must be complete and uploaded **by the morning of your scheduled desk monitoring**.

Reminder:
The success of your monitoring review depends on the **accuracy, completeness, and organization** of the documentation uploaded into Clarity.

Appendix M: Monitoring Framework Concepts

What "HUD-Style Subrecipient Model" Usually Includes

When something is "based on HUD-style subrecipient model examples," it typically reflects:

- **Recipient / Subrecipient relationship**
  - Clear delineation of roles and responsibilities.
  - Written agreements (grant agreements, MOUs).
- **Standard HUD compliance areas**
  - Program requirements.
  - Cross-cutting requirements.
    - **Cross-cutting requirements** are **federal rules that apply across *all* HUD-funded programs**, regardless of the specific program type (ESG, CoC, PSH, RRH, etc.).
  - Financial management and internal controls.
  - Recordkeeping and reporting.
- **Risk-based oversight**
  - Risk assessment informs monitoring frequency and depth.
  - Desk vs. on-site monitoring decisions.
- **Corrective action framework**
  - Findings, concerns, and observations.
  - Timelines for resolution.
  - Follow-up and close-out procedures.
- **HUD-recognized documentation**
  - Policies and procedures.
  - Certifications and assurances.
  - Client file and financial reviews.

What It Does *Not* Mean

- It does **not** mean the example comes from a single required HUD template.
- It does **not** mean it reflects a specific HUD office or field interpretation.
- It does **not** mean it replaces local policies or UFA-specific procedures.

It simply signals that the structure is **aligned with HUD's commonly accepted subrecipient oversight model**.

Why This Phrase Is Often Used

This language is used to:

- Show **alignment with HUD expectations.**
- Indicate **credibility** and **consistency** with federal monitoring practices.
- Distinguish the model from **purely local** or **ad-hoc approaches.**

Appendix N: Risk Score Adjustment Guidance (Executive Use Only)

Community Shelter Board (CSB)
Program Review & Certification (PR&C)

Purpose

This appendix provides guidance for **executive leadership** on when and how to adjust a subrecipient's risk score due to **extenuating circumstances** not fully captured in the standard Risk Assessment Tool.

The intent is to ensure that any adjustment is:

- **Defensible** under HUD expectations (e.g., U.S. Department of Housing and Urban Development risk-informed monitoring principles)
- **Consistent and transparent** across Partner Agencies
- **Free from real or perceived favoritism**
- **Aligned with CSB's role as a Unified Funding Agency (UFA)**

Guiding Principles

All risk score adjustments must adhere to the following:

- **Objectivity:** Based on verifiable facts, not relationships or perceptions
- **Consistency:** Applied uniformly across similar circumstances
- **Documentation:** Fully supported with written justification and evidence
- **Time-Limited:** Adjustments reflect temporary conditions unless otherwise justified
- **Accountability:** Decisions are reviewable and subject to internal quality control

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Eligible Circumstances for Consideration

Risk score adjustments may be considered when one or more of the following conditions exist:

1. External or Systemic Factors

Events outside of the Partner Agency's control that materially impact performance or compliance.

Examples:

Funding delays from federal, state, or local sources

System-wide HMIS or reporting disruptions

Community-wide housing market constraints (e.g., extreme rental shortages)

Required Documentation:

Formal notices, communications, or system alerts

Timeline of impact

Evidence of agency response efforts

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2. Temporary Operational Disruptions

Short-term disruptions affecting staffing, operations, or service delivery.

Examples:

- Sudden leadership or key staff turnover
- Public health emergencies
- Technology failures impacting documentation or reporting

Required Documentation:

- Staffing records or incident summaries
- Recovery or continuity plans
- Evidence of resumed operations

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3. Demonstrated Corrective Action

Clear, proactive steps taken by the agency to resolve prior findings or deficiencies.

Examples:

- Timely completion of a Quality Improvement Plan (QIP)
- Sustained improvement in invoice accuracy or HMIS data quality
- Internal monitoring processes exceeding minimum expectations

Required Documentation:

- Completed QIP and supporting evidence
- Internal review results
- Performance trend data (pre- and post-correction)

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4. Data Context Considerations

Situations where quantitative data alone may not accurately reflect performance.

Examples:

- Small sample sizes disproportionately impacting scores
- Data anomalies due to system transitions or corrections
- High-acuity populations affecting outcome metrics

Required Documentation:

- Data analysis summary
- Explanation of variance
- Supporting HMIS or program reports

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5. Critical Incidents

Significant, unexpected events that directly impact program operations or compliance.

Examples:

- Fire, flood, or major property damage
- Loss of housing units or lease terminations
- Safety incidents affecting clients or staff

Required Documentation:

- Incident reports
- Insurance or inspection records (if applicable)
- Recovery timeline and mitigation steps

Non-Allowable Considerations

Risk score adjustments **must not** be made based on:

- Length or history of partnership alone
- Informal relationships or advocacy
- Unverified or anecdotal information
- Desire to avoid a higher monitoring level
- General disagreement with scoring outcomes without evidence

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Standard Adjustment Process

Step 1: Identification

A potential need for adjustment is identified through:

- PR&C review
- Leadership discussion
- Partner Agency communication

Step 2: Justification Development

The requesting party must prepare a **written justification** including:

- Description of the circumstance
- Impact on risk indicators
- Proposed adjustment and rationale
- Supporting documentation

Step 3: Executive Review

At minimum, the following should review and align:

- PR&C Leadership
- Grants Management & Compliance Leadership
- Additional leadership as determined appropriate

Step 4: Decision & Documentation

All approved adjustments must include:

- Final risk score (original and adjusted)
- Clear written rationale
- Supporting documentation attached or referenced
- Effective period of adjustment

Step 5: Tracking & Transparency

CSB will maintain an **internal log of all risk score adjustments** including:

- Partner Agency name
- Program(s) impacted
- Adjustment reason category
- Duration of adjustment
- Approving leadership

This log supports **consistency reviews and audit readiness**.

Adjustment Parameters

- Adjustments should generally **not exceed one risk level category** (e.g., High → Moderate) without substantial justification
- Adjustments are typically **limited to one monitoring cycle**
- Repeated adjustments require **heightened review and justification**

Quality Control & Oversight

To ensure integrity of the process:

- Periodic internal reviews will assess **patterns of adjustments**
- Adjustments may be reviewed against **HUD monitoring expectations and audit standards**
- Any identified inconsistencies will be addressed through **process refinement and staff guidance**

Key Takeaway

Risk score adjustments are a **tool for accuracy—not leniency**.
They ensure that CSB's monitoring approach remains **fair, responsive, and grounded in real-world conditions**, while maintaining full compliance with HUD expectations and UFA responsibilities.
