

# Monitoring Guide for Sub-recipients Program Review & Certification

## Purpose

This document outlines the policies and procedures for the subrecipient monitoring requirements of the Columbus/Franklin County Continuum of Care. Monitoring is a collaborative process to review performance and ensure compliance with CSB's [Monitoring Standards](#) based on federal, state and local funder requirements and best practices. The Community Shelter Board (CSB) serves as the Homeless Management Information System (HMIS) Lead and Unified Funding Agency (UFA) for the Columbus/Franklin County Continuum of Care (CoC). Each subrecipient will be monitored on an annual basis and the results of that monitoring will be shared with the CoC and the CoC's funding partners as required by federal law.

Monitoring of subrecipients occurs at several levels, which include:

**Financial:** project financial records to ensure compliance with the grant agreement, match requirements, and other contractual obligations

**Organization:** policies, procedures, and staffing

**Housing:** housing unit inspections, leases and other records

**Participant:** records to ensure participant eligibility and required services

**Project data quality and performance:** performance of a project to measure progress toward the project and the HMIS and CoC system performance goals using accurate, timely and complete data.

## Target Audience

This monitoring guide applies to all CSB subrecipients, their second tier subawards, and projects contributing data to the HMIS. CSB subrecipients identified as contractors are not subject to this monitoring guide. See Exhibit 3 for more information and definitions of subrecipients, second tier subawards and contractors.

## Subrecipients Sub-granting Funds

If a CSB-funded partner agency receive federal funds through CSB and they sub-grant funding to another agency, the second tier subaward is also subject to this Monitoring Guide. In this case, the sub-recipient partner agency is responsible for monitoring the second-tier sub awardee at least annually to ensure all program requirements have been met. The subrecipient is responsible for reporting the findings to CSB, as part of CSB's annual partner agency monitoring. Partner agencies are required to include CSB in the selection process for second-tier subawards that will provide services to clients and to comply with 2 CFR 200.331 and 200.332. CSB recommends prioritizing service providers that can bill Medicaid for eligible services to maximize participant care, case management resources, and improved outcomes.

---

## Administrative Process (Preparation)

### Scheduling

At least two months before the scheduled month for review, CSB staff will e-mail the partner agency to reserve the date(s) for the first Program Review & Certification (PR&C). If necessary, the review may be scheduled during the following month (for example, if the scheduled month of review is June and a conflict arises, the review may be pushed back into July).

Partner agencies can make a one-time request for up to a two-week delay in the review in emergency situations only. Requests will be approved at CSB's discretion.

## Monitoring Guide for Sub-recipients Program Review & Certification

The scheduling e-mail to the partner agencies will include the programs and timeframe being reviewed. Partner Agency Standards are available on CSB's website [here](#). If there are any new requirements, not previously communicated, the requirement will not be applicable for that year's review and the items will be marked as such on the standard.

### Client Records

No earlier than one week prior to the review and no later than by 1:00 PM one business day prior to the review, CSB staff will determine the client records and shelter bed lists to be reviewed.

1. Client records will be selected based on when last year's review ended and when this year's review is scheduled. The start date of the timeframe will be the day after the prior year's timeframe end date. The end date of the timeframe will be the last day of the second month prior to the review month. Example timeframes are in the below table. The record retention period starts at the time of the grant close out letter.

2024 Review Timeframe	2025 Review Date	2025 Review Timeframe
4/1/23-4/30/24	May	5/1/24-3/31/25
7/1/23-6/30/24	September	7/1/24-7/31/25

Record reviews must consist of a minimum of 10 records, up to a maximum of 10% of the annual unduplicated number served (based on the previous fiscal year). If a program does not have the minimum number of 10 records, all records will be reviewed. CSB may combine like programs to reach this minimum. CSB will consider past performance and reasonableness of total review size when considering if it is appropriate to review less than the maximum of 10% of the annual unduplicated number served (but not less than 10 records) on a case-by-case basis.

- a. CSB staff responsible for pulling PR&C data will provide Program Roster reports (bed lists) from the review period.
2. Selected records will generally include at least 25% but no more than 50% closed (exited) records. If a program does not have the minimum number of 25% exited records, all exited records will be reviewed. For PSH/long-term programs, around 50% of un-exited clients will be those who entered during the review timeframe.
  3. If the partner agency sends CSB evidence of quarterly client record reviews that meet the requirements of this Monitoring Guide for Sub-recipients for 10% of the clients served each quarter or 30 records, whichever is greater, CSB will select up to 50% of the records to be reviewed from the partner agency client record review lists. The signed evidence of client record reviews can be sent to CSB a month prior to the annual review or along with the quarterly Quality Assurance reports. Evidence of record reviews will not be accepted after one month prior to the annual review.
  4. CSB reserves the right to increase record selection size based on the risk assessments and prior monitoring as outlined in the enhanced risk policy.
  5. CSB reserves the right to decrease record selection size below the stated maximum based on prior agency performance or overall number of client records selected for the partner agency.

## Monitoring Guide for Sub-recipients

### Program Review & Certification

- CSB reserves the right to monitor a different amounts of maximum files for data quality or performance standards due to subrecipient's past performance and/or needs.
- 

### Review

All applicable Tier 1 standards will be reviewed by CSB staff annually. Tier 2 standards will be reviewed by CSB every 4 years. Self-certification of Tier 2 (when not reviewed by CSB) and Tier 3 standards is expected prior to or at the time of the review. After all applicable standards are reviewed, areas of concern will be noted. CSB staff reserves the right to end the review if the agency is not prepared, client records are not available, agency staff are not available, and/or it is evident the client records are non-compliant.

- < Tier 1 standards are reviewed annually.
- < Tier 2 standards are reviewed every four years (self-certified all other years).
- < Tier 3 standards are self-certified by the Agency.

CSB reserves the right to review any Tier 1, Tier 2, or Tier 3 standards and any additional client records at CSB's discretion. For standards that require CSB to review agency policies, the partner agency must upload policies to Submittable for CSB review prior to the scheduled review.

---

### Data Review

CSB reviewer(s), with permission from the HMIS Database Administrator, have HMIS user access to look up required records.

HMIS Records review will consist of the following:

1. Comparison of HMIS data to Agency client records.
2. Comparison of Agency bed list to HMIS Program Roster (shelter only)

#### 1. Comparison of HMIS data to Agency client records

The review will be conducted on the selected client records. **A minimum of 95% of the data elements from the selected client records must match HMIS data to achieve compliance.**

Data for the records will be extracted, selected, and compiled by the CSB staff responsible for pulling PR&C data. The data will be retrieved from the HMIS database and organized into an Excel table. The reviewer(s) will compare the HMIS data to the agency client records to determine compliance.

All records will be reviewed for the following elements:

- < List of HMIS data elements, attached as Exhibit 1
- < Exit or annual review data, including date of exit from program and other data element records related to exit/annual reviews, as applicable.

CSB will summarize any record discrepancies in comparison to the HMIS data on the exit interview form.

#### 2. Comparison of Agency bed list to HMIS Program Roster (shelter only)

## **Monitoring Guide for Sub-recipients Program Review & Certification**

The reviewer will compare agency daily client shelter services provided (i.e., bed list, sign in sheet, or other daily record) to the HMIS Program Roster. The reviewer will compare only the list of persons (not measure compliance based on all data elements related to the person).

### **Data Compliance**

A minimum of 95% of all the reviewed data elements per program must match the data entered into HMIS, excluding program start and exit dates which must be 100% accurate. For annual reviews, each individual data element will be counted as incorrect if the assessment is not entered into HMIS within a 30-day window on either side of the client's anniversary of program start. Agencies should correct all errors identified by the reviewer(s) even when the 95% compliance is achieved. The corrections will not be reviewed by CSB staff and will not affect subsequent reports.

Agencies that fall below 90% HMIS accuracy will not be provided specific data relating to HMIS errors and may have to schedule a second PR&C review. CSB may request a Quality Improvement (QI) Plan.

Agencies that fall between 90%-94% HMIS accuracy will be given an opportunity to review data with a CSB reviewer and clarify any errors during the initial review. If the rating does not reach 95%, CSB may schedule a second review and may request additional information.

For comparison of Agency bed list to HMIS Program Roster, 100% of selected days must have 100% of clients entered on the HMIS Program Roster to achieve compliance.

CSB will not provide agencies with copies of CSB review sheets. CSB will report on errors (if any) discovered during the review and this information will be shared with partner agencies.

If an agency fails to achieve compliance, the agency may appeal the decision and/or remedy the problem. A follow-up review may occur and the reviewer will repeat the steps described above. The agency must demonstrate that 100% of records previously found to be non-compliant have been corrected to the fullest extent possible. If information is not available to achieve 100% compliance, the agency will demonstrate steps taken to ensure the errors will not be made again. In addition, a new sample of records must also meet the 95% standard. The new sample of records will be the same number of initial client records representing new admissions since the time of the previous review(s) or for the initial evaluated period, at CSB's discretion.

If the agency requires a second file review, the agency may need to recertify all persons on the HMIS users list through additional training sessions conducted by CSB staff or CSB recorded trainings. Additional trainings and recertification should occur prior to the second file review, if possible, and must be completed before the final PR&C report is issued.

If the agency requires a third file review, the agency will be required to develop a comprehensive QI Plan, in addition to other corrective actions noted above. The QI Plan will detail new policies and procedures the agency will adopt to ensure present and future compliance with CSB standards. The QI Plan must be approved by CSB. Any agency with a final status of non-compliant will enter into a conditional contract amendment with CSB. Specific conditions will be determined by the areas of concern leading to the non-compliant status. Failure to comply with conditional contracting may lead to loss of funding and/or other penalties as determined by CSB.

## **Monitoring Guide for Sub-recipients**

### **Program Review & Certification**

If the agency is found non-compliant, the agency may be required to reimburse CSB for the full cost of HMIS licensing for the fiscal year.

---

#### **Program Review**

Using the selected client records, CSB will determine compliance with standards related to program operations, client rights, services planning, housing, and facilities. CSB will review each selected client's record to ensure (1) client eligibility, (2) adherence to the Housing First model, (3) compliance with regulations, as applicable, and (4) the program's ability to meet outcomes as specified in the program's Program Outcome Plan. CSB has the right to randomly inspect CoC and ESG-funded units. CSB will not reimburse partner agencies for any unit that fails inspection until inspection is passed.

The reviewer will focus on program outcomes rather than methodologies. Areas of concern and/or possible non-compliance gleaned from the review of the client records will be tracked using a program-specific review tool. Each separate instance of possible non-compliance will be noted on the review tool, identified by client ID number and correlating standard.

#### **Program Compliance**

Upon completion of the review of the selected records and standards, the CSB reviewer will discuss any areas of concern with agency staff. Full compliance with program standards (E through K) is determined by HUD requirements, CSB requirements, and historical patterns. For HUD requirements – including rent reasonableness calculations, client rent calculations, and inspections – 100% of the program records must be compliant because non-compliance with federal standards results in a finding for the Continuum of Care and can result in repayment of federal funds and reduced chances of receiving future federal funding.

- ⟨ If there is a minor typo/edit on a client rent calculation, the partner agency will be found compliant on the condition that the partner agency correct the error and communicate to staff the importance of the accuracy of the rent calculations. CSB Grants Department will review the corrected rent calculation.
- ⟨ If there are numerous mistakes and/or an obvious consistency in the type of errors, the partner agency will be found non-compliant and must review and correct all records. CSB will conduct a second review. During the second review, both the first set of records reviewed and a new set of records must be 100% accurate.

For CSB programmatic requirements, 95% of the records must be compliant. Areas of concern noted on the program review tool may not warrant a status of non-compliance. CSB may request additional information.

If the agency is found non-compliant due to a program-related issue(s) after the first review, the agency, represented by any staff members directly responsible for the program-related issue(s), may be required to attend a technical assistance (TA) meeting and will be required to develop a comprehensive QI plan. If the non-compliance can be corrected, a follow-up review will be scheduled following the TA meeting to ensure that all program requirements are being provided in a manner compliant with CSB standards. The agency must demonstrate that 100% of records previously found to be non-compliant have been corrected to meet HUD and/or CSB programmatic requirements of 100% and 95% compliance respectively. The new

## **Monitoring Guide for Sub-recipients Program Review & Certification**

sample of records will be the same number of initial client records representing new admissions since the time of the previous review(s) or for the initial evaluated period, at CSB's discretion.

If, after the second review, the agency is still found to be non-compliant, the agency will, at its own expense, schedule and attend CSB-directed or third-party-led TA prior to any third and final review from CSB, if applicable. Any third-party-led TA must be approved by CSB prior to the event.

---

### **Fiscal, Personnel, and Governance Review**

The reviewer will consider under this section any fiscal and other areas not reviewed under data or programs, specifically the A and D Standards. Areas of concern and/or possible non-compliance gleaned from the review will be noted on the exit interview form.

#### **A. Risk Assessment**

CSB staff will conduct a risk assessment by reviewing organizational indicators, prior year audit reports, the agency's internal controls, previously submitted invoices, and results from prior year monitoring to assess level of risk. Enhanced risk partner agencies may be subject to increased monitoring and may be subject to the conditions specified in the Columbus and Franklin County Continuum of Care (OH-503) Policy and Procedures for Determining and Monitoring Enhanced-Risk Partner Agencies.

Partner agencies with the following characteristics for several consecutive years will be deemed as having an enhanced risk:

- < Independent auditors' reports containing:
  - o A modified opinion or ongoing-concern findings on the audited financial statements
  - o Findings of deficiencies or material weaknesses in internal control
  - o Findings of non-compliance with 2 CFR 200
  - o Management letter comments having a direct impact on the grant(s) being monitored
  - o Other significant audit findings
- < A history of failing to fully expend federal funds (if applicable)
- < Recurring invoice/disbursement journal errors on invoices submitted to CSB and recurring findings under the subsequent monthly invoice/disbursement journal monitoring
- < High staff turnover in key fiscal positions
- < Prior PR&C findings in the fiscal area
- < Uncorrected monitoring issues, reversals, or non-response to monitoring selection requests

To be removed from the enhanced risk category, a partner agency must demonstrate the following improvements, depending on the area of concern:

- < Clean audit opinions on financial statements, internal controls, and federal 2 CFR 200 audit
- < Steady spend down of federal funds
- < No significant invoice errors and consistent compliance with subsequent fiscal monitoring for 6-12 months, at CSB's discretion
- < For high staff turnover, an acceptable transition plan and consistent implementation of that plan
- < Compliant PR&C report in the fiscal area

#### **B. Initial Evaluation of Internal Controls**

## **Monitoring Guide for Sub-recipients Program Review & Certification**

CSB staff will conduct an evaluation of the partner agency's financial internal controls to determine if the controls required by the grant(s) being monitored are in place. As part of the evaluation process, each partner agency will provide the following information:

- < A completed Internal Controls Questionnaire provided by CSB
- < A copy of the accounting manual or other policies and procedural manuals including, at a minimum, the following policies and procedures:
  - Procurement
  - Property and Equipment
  - Travel expense reimbursement
  - Accounts payable/invoice processing
  - Personnel and timekeeping
  - Direct and Indirect Cost allocation plan
  - Required indemnification and or proof of insurance
- < The organization's chart of accounts
- < The organizational chart

The Internal Controls Questionnaire must be completed by agencies and uploaded in Submittable no later than one week prior to the agency's PR&C review. CSB staff will review the material, and during the PR&C review, conduct an interview with the appropriate fiscal staff focusing on the control areas significant to or required for the grant(s) being monitored.

Any areas of noncompliance will be noted in the PR&C report and the partner agency will be asked to address the areas of concern. CSB will monitor implementation and effectiveness of the updated procedures in subsequent PR&C reviews or monthly invoice monitoring. If significant deficiencies remain, the partner agency may be deemed to be an enhanced risk.

### **C. PR&C Annual Reviews**

During the annual PR&C evaluation process, CSB will obtain a New Internal Controls Questionnaire and, if necessary, test certain controls, review PR&C fiscal standards, follow up on items found non-compliant in the prior year's PR&C, review findings from current year invoice monitoring, discuss issues raised during the external audit, and assess risk. If in-kind services are provided, CSB will check for in-kind match source documentation, eligibility of use, and the tracking method during the PR&C review.

For federally funded programs, CSB, as part of the monthly invoice monitoring process will complete a full payroll review for randomly selected staff, not to exceed 10% of employees for the pay period. For each reviewed employee, CSB will verify employment status, confirm pay rates, calculate hours worked according to the time reporting system, and check the transactions posted in the payroll ledger accounts against the total payroll expenses submitted to CSB for the period.

For non-federally funded programs, CSB reserves the right to select at least one invoice submitted during the review period and review at least 10% of expenses in depth, but not less than 5 transactions, including a full payroll review for at least 1 employee, if funds are used for staff wages.

### **D. Submission, Processing, and Monitoring of Reimbursement Requests for Grants including Federal Funding**

## **Monitoring Guide for Sub-recipients Program Review & Certification**

### **Submission of Invoices**

Partner agencies will fully complete the invoice form and disbursements journal. The disbursements journal will list each disbursement separately. Each disbursement line item will list the date, transaction type (check number, ACH, etc.), payee name (or job title for payroll), a short but clear description of the item, and the dollar amount under the correct budget line item. Descriptions must be detailed enough to show the type of expense (e.g., 'office supplies' rather than 'supplies'). Rental assistance and leasing line item descriptions must include the client HMIS number. CSB will communicate any discrepancies between leasing and rental assistance client lists and HMIS client lists when reviewing monthly invoices. Program income descriptions must detail how program income was spent.

Partner agencies must have documentation for all items listed on the disbursements journal and be willing to submit the documentation to CSB in a timely manner, if requested. Any partner agency that is not willing or able to provide documentation should not include the expense on the disbursement journal.

Matching expenses are to be listed in the same manner as expenses being submitted for reimbursement. If an expense is not allowable for reimbursement, it is not allowable as match. Matching expenses must follow the same rules for documentation and allowability as expenses to be reimbursed.

### **Processing and Payment of Invoices**

CSB staff will conduct an initial review of invoices to verify mathematical accuracy, budget/program categories, consistency with prior invoices, and allowable costs, per applicable regulations. Items listed on the disbursements journal will be reviewed to ensure the expense is consistent with the Columbus and Franklin County Homeless Crisis Response System Policies and Procedures and the Eligible and Ineligible Cost matrices by program type. If any expense requires further explanation, CSB will contact the partner agency. If the expense is unallowable, the partner agency will be asked to remove the expense and resubmit the invoice. If no problems are detected, the invoice will be processed for payment in accordance with the ACH procedures established by CSB.

For HOME, CoC- and ESG-funded programs, CSB will request supporting documentation (such as approved invoices, canceled checks, timesheets, payroll records, etc.). Upon review, CSB staff may have follow up questions and may request additional documentation. If significant areas of noncompliance are detected, CSB will suspend payment for the program until an acceptable solution has been reached and has been implemented. Additional testing will be done on prior submitted invoices if significant noncompliance is identified. CSB will select at least 10% of the annual transactions (inclusive of match) during standard monitoring. Where applicable, at least two weeks of payroll/timesheets will be selected every three months. Targeted selection of certain items is based on the type or size of the costs.

#### **E. Additional testing for partner agencies deemed an "Enhanced-Risk"**

If a partner agency has been deemed to be an enhanced risk because of recurring invoice errors or significant issues raised during the external audit that impact CSB grant funding, CSB will select a higher volume of transactions for monthly testing, increasing the amount no less than 20% of all transactions. If no or few errors or problems are detected during the invoice testing for 6 to 12 months, at CSB's discretion, CSB may rescind the enhanced risk designation.

If a partner agency has been deemed an enhanced risk due to failure to fully expend available federal funds, CSB will monitor monthly spending to ensure it is within 10% of the monthly prorated amount.



## **Monitoring Guide for Sub-recipients Program Review & Certification**

Partner agencies deemed an enhanced risk because of findings identified during the prior year's PR&C, external audit, or due to high staff turnover will be evaluated during the next year's PR&C to determine if the enhanced risk designation can be removed.

---

### **Fiscal, Personnel, Governance, and Other Compliance**

After the review of Standards A and D, the CSB reviewer will discuss any areas of concern with agency staff. Full compliance with any standards reviewed under this section is determined at the discretion of the CSB review team. CSB may request additional information.

Agencies found non-compliant under this section may be held to no more than three separate reviews to achieve compliance. However, at the discretion of CSB staff, non-compliance and/or termination of funding for the year may be determined after the first review, depending on the severity of the non-compliance.

In case of non-compliance, CSB may choose to require the partner agency to enter into a QI Plan with CSB. The QI Plan is tailored to the partner agency and focused on the steps required for compliance. The partner agency will have a conditional contract with CSB that will focus on the steps needed for compliance and continued funding. The QI Plan will consist of monitoring reviews by CSB staff and/or an improvement plan and regular reports and meetings between CSB and the partner agency. CSB may request additional external, specialized fiscal oversight on a case-by-case basis.

### **Non-Compliance Subsequent Reviews**

Agencies found non-compliant for any issue may be held to no more than three separate reviews to achieve compliance.

Specific conditions will be determined by the areas of concern leading to the non-compliant status and developed by CSB. Failure to comply with conditional contracting may lead to loss of funding and/or other penalties as determined by CSB. The agency will be considered ineligible for any merit incentive payments paid during the fiscal year.

If the agency is found to be non-compliant, the agency will be issued a non-compliant status for the current fiscal year, and the agency will enter a conditional contract with CSB the following fiscal year.

### **Compliant with Conditions Status**

Agencies may receive a status of "compliant with conditions" based on individual, extenuating circumstances relating to compliance issues. Compliance with conditions requires a resolution similar to any determination of non-compliance, usually involving development of a QI Plan, and/or regular file reviews, training, form updates, or reports specific to the area(s) of concern. Agencies determined to be "compliant with conditions" will remain eligible for merit incentive funding.

### **Compliant Status**

In addition to any merit incentive funding, agencies found fully compliant upon the initial review are eligible to receive a staff appreciation bonus of up to \$500 to be used at the discretion of the agency.

Agencies that were found fully compliant two years in a row are exempt from the typical PR&C requirements for the third fiscal year. CSB will review requirements specific to CoC- and ESG-funded

## **Monitoring Guide for Sub-recipients Program Review & Certification**

programs via HMIS and will contact the agency with any questions or concerns. CSB will specify in the agency-specific emails if this applies to your agency.

### **Appeals Process**

The agency must notify CSB if they wish to appeal the PR&C findings via email within two weeks of issuance of the PR&C Final Report. Each item in the report that the agency is appealing must be listed and a complete, detailed explanation given as to why the agency believes the finding is incorrect. CSB will review the appeal and if it is determined that the PR&C report is incorrect, a new report will be issued. If it is determined that the explanation does not change the findings, the agency will be notified.

As directed by the Continuum of Care, this document was created by CSB, the CoC Unified Funding Agency and Collaborative Applicant.

It was last reviewed and approved by the CoC Board on January 7, 2025.

### **Attachments:**

- < Addendum 1 – updated 1/7/2025
- < Exhibit 1 – Selected Data Elements updated 1/7/2025
- < Exhibit 2 – Determining Findings and Conditional Contracts updated 1/7/2025
- < Exhibit 3 – Subrecipient and Contractor Determinations created 1/7/2024
- < Exhibit 4 – Requirements of Pass-through Entities created 1/7/2024

### **Addendum 1 Rental Assistance Programs Jointly Operated by CSB and Partner Agencies**

#### **Monthly**

CSB Grants Department will communicate any discrepancies between the Rental Assistance client lists and HMIS client lists when reviewing monthly invoices. CSB's Housing Department will work with partner agencies to resolve any discrepancies.

CSB Grant Department will monitor 10% of costs submitted for the CSB Rental Assistance Programs and resolve discrepancies in the following month's invoice.

#### **Annual Reviews**

CSB Grants Department will review a selection of CSB Housing Department client records to ensure that they include:

- < Annual FMR and rent reasonableness forms
- < Lease (TRA programs)
- < Annual client income recertification
- < Annual HUD HQS inspection form
- < Annual client rent calculation form

Master leases for SRA programs will be reviewed during the lessee's PR&C review. Rent reasonableness and HQS inspections must be 100% accurate because non-compliance results in a finding for the Continuum of Care and can result in repayment of federal funds and reduced chances of receiving future federal funding. If 100% accuracy is not met, CSB will be found non-compliant and will be required to have a second review. During the second review, both the first set of records reviewed and a new set of records must be 100% accurate.

## **Monitoring Guide for Sub-recipients Program Review & Certification**

Rent calculations must be 100% accurate because non-compliance results in a finding for the Continuum of Care and can result in repayment of federal funds and reduced chances of receiving future federal funding.

- ⟨ If there is a minor typo/edit on one calculation, CSB will be found compliant with conditions, the condition being that CSB must correct the error and communicate to staff the importance of the accuracy of the rent calculations. CSB Grants Department will review the corrected rent calculation.
- ⟨ If there are numerous mistakes and/or an obvious consistency in the type of errors, CSB will be found non-compliant and must review and correct all records. CSB Grants Department will conduct a second review. During the second review, both the first set of records reviewed and a new set of records must be 100% accurate.

### **Homelessness at Enrollment**

Partner agencies are responsible for having appropriate documentation of homelessness in client records. Non-compliance can result in a finding for the Continuum of Care and can result in repayment of federal funds and reduced chances of receiving future federal funding. Appropriate documentation is defined in Standard E3.

## Monitoring Guide for Sub-recipients Program Review & Certification

### Exhibit 1- Selected Data Elements

The focus of the review is to check HMIS data accuracy using client's source documents – ID, birth certificate (BC), social security card (SSC), income or zero income documentation (INC), disability certificate (DC) or social security income/social security disability income letter (SSI/SSDI). Missing source documentation will be handled on a case-by-case basis.

Data Element	Require d For <sup>1</sup>	CPOA	Emerg ency Shelters	VAEH	PSH/ TH	Preventi on	Outreac h	RRH	SSVF	PATH	VASH	RHY	Check Notes
First/Last Name	All		X	X	X	X	X	X	X	X	X	X	PSH/RRH - ID/BC/SSC/SSI/SSDI Other Project Types – Data Form or above
Last 4 digit SSN	All		X	X	X	X	X	X	X	X	X	X	PSH/RRH - SSC/SSI/SSDI Other Project Types – Data Form or above
Date of Birth	All		X	X	X	X	X	X	X	X	X	X	PSH/RRH - ID/BC Other Project Types – Data Form or above
Gender	All		X	X	X	X	X	X	X	X	X	X	Program eligibility
Pregnancy Status	All Adults		X	X	X	X	X	X	X	X	X	X	Program eligibility
Pregnancy Due Date	Pregna nt Adults		X	X	X	X	X	X	X	X	X	X	If above marked “yes”
Prior Living Situation	HoH and adults		X	X	X	X	X	X	X	X	X	X	Program eligibility, case notes
Relationship to HoH	All		X	X	X	X	X	X	X	X	X	X	Reasonableness based on household composition
Household composition	All		X	X	X	X	X	X	X	X	X	X	Household members against HMIS custom client acknowledgement fields and/or source docs
Project Start Date	All		X	X	X	X	X	X	X	X	X	X	PSH/RRH – Case notes or reasonableness based on enrollment documents Other Project Types – Data Form or above
Project Exit Date	All		X	X	X	X	X	X	X	X	X	X	PSH/RRH – Case notes or reasonableness based on exit documents Other Project Types – Data Form or above
Project Move-in Date	All				X			X	X		X		PSH and RRH only, based on case notes/lease. Should reflect clients true move-in date
Date of Engagement	All						X			X			Based on client form or case notes
Destination	All		X	X	X	X	X	X	X	X	X	X	Reasonableness based on case notes and other exit documentation
Employed?	HoH and adults				X	X		X	X				INC
Income from Any Source (Yes/No)	HoH and adults		X	X	X	X	X	X	X	X		X	PSH/RRH - INC/SSI/SSDI Other Project Types – Data form or above

<sup>1</sup> HoH = Head of Household (Adult in the household with the primary income). It also refers to Single Adults and Unaccompanied Youth for the purposes of this chart unless “in families” is specified.

## Monitoring Guide for Sub-recipients Program Review & Certification

Income Amount and Sources at Program Start and Exit	HoH and adults		X		X	X	X	X	X	X		X	PSH/RRH - INC/SSI/SSDI Other Project Types – Data form or above		
Disabling Condition (Yes/No)	All		X			X	X	X	X	X	X	X	X	PSH - DC Other Project Types – Data form or above	
Disability Type at Program Start	All		X				X	X	X	X	X	X	X	Consistency with Disabling Condition (yes/no)	
Interim Assessment (Income)	HoH and adults		X			X	X	X	X	X	X	X	X	PSH/RRH - INC/SSI/SSDI Other Project Types – Data form or above	
Annual Review Date	All						X			X	X		X	Within 30 days of enrollment date	

## Monitoring Guide for Sub-recipients Program Review & Certification

### Exhibit 2 – Determining Findings and Actions

Finding(s)	Required Action(s) (Guidelines)
<p>Data does not meet standards and the agency cannot correct errors because the clients are no longer in the program (client verification, bed lists, start/exit dates);</p> <p>Client records do not meet standards because of missing or unsigned documentation and the agency cannot correct errors because the clients are no longer in the program or missed the due date (e.g., missing file, annual review, case notes, lease, inspections, HAST);</p> <p>Service provision does not meet standards and the agency cannot correct errors because the clients are no longer in the program (e.g., documentation of homelessness, IHSP, assessments, income, acknowledgements, prioritization, retention plan)</p>	<p><b>Year 1:</b> Compliant w/conditions: Agency must submit a Quality Improvement Plan and CSB may request training, form updates, or reports.</p> <p><b>Year 2:</b> Compliant w/conditions: Agency must provide records for review until CSB is satisfied that the steps outlined in the Quality Improvement Plan are being implemented.</p> <p><b>Year 3:</b> Non-compliant: In addition to Year 2 requirements, agency will conduct a monthly internal audit and submit to CSB file review checklists and internal audit sheets signed by the agency's management for 10 records each month.</p>
<p>Agency does not meet a standard requiring additional data or information from participants who are still active in the program (documentation of homelessness, IHSP, inspections, income)</p>	<p><b>Year 1:</b> Compliant w/conditions: Agency must make necessary corrections.</p> <p><b>Year 2:</b> Compliant w/conditions: Agency must make necessary corrections, submit a Quality Improvement Plan, and provide records for review until CSB is satisfied that the steps outlined in the Plan are being implemented.</p> <p><b>Year 3:</b> Non-compliant: In addition to Year 2 requirements, agency will conduct a monthly internal audit with file review checklists and internal audit sheets signed by the agency's management for 10 records each month.</p>
<p>Agency does not submit required documentation or there is a discrepancy in the documentation (e.g., income verification, FMR/RR form, retention plans, inspections, receipts, USHS file, lease, policy, board minutes, appeals)</p>	<p><b>Year 1:</b> Compliant w/conditions: Agency must submit required documentation. The Agency may have to repay federal funds and provide communication or training to staff.</p> <p><b>Year 2:</b> Compliant w/conditions: Agency must make necessary corrections, submit a Quality Improvement Plan, and provide records for review until CSB is satisfied that the steps outlined in the Plan are being implemented.</p> <p><b>Year 3:</b> Non-compliant: In addition to Year 2 requirements, agency will conduct a monthly internal audit with file review checklists and internal audit sheets signed by the agency's management for 10 records each month.</p>

## Monitoring Guide for Sub-recipients Program Review & Certification

Agency serves ineligible households based on the program type (e.g., homeless or imminent risk verification, income, FMR/RR, inspections)	<b>Year 1:</b> Non-compliant: Agency must submit documentation showing eligibility of all new clients and agency must agree to enter into Technical Assistance meetings and provide records for review until CSB is satisfied. The Agency may have to repay federal funds and provide communication or training to staff.
Agency does not pass shelter habitability inspection.	<b>Year 1:</b> Non-compliant: Agency must correct items and complete follow-up inspections until all items are resolved.
Agency does not have sufficient policies and/or procedures in place as required by the standards	<b>Year 1:</b> Compliant w/conditions: Agency must provide required policies and/or procedures. If not provided, Agency will be Non-compliant.
Agency does not properly secure client records.	<p><b>Year 1:</b> Compliant w/conditions: CSB will perform random agency visits to check file security. If files are not found to be consistently secured or supervised, agency will submit a Quality Improvement Plan.</p> <p><b>Year 2:</b> Compliant w/conditions: CSB will perform random visits and until satisfied that the necessary corrections are made as outlined in the Quality Improvement Plan.</p> <p><b>Year 3:</b> Non-compliant: Agency will be considered enhanced-risk and Agency must enter into a conditional contract amendment with CSB for the remainder for the current fiscal year and next fiscal year.</p>
<p>Costs cannot be tracked by project;</p> <p>Costs charged, including match, are not supported by proper documentation, approved or reported in the correct period;</p> <p>Costs and match are not charged to appropriate funding source;</p> <p>Timesheets do not track time by program and non-program time</p>	<p><b>Year 1:</b> Compliant w/conditions: Agency to provide updated chart of accounts, timesheets, or revise policies and procedures. The Agency may have to repay federal funds.</p> <p><b>Year 2:</b> Compliant w/conditions: In addition to Year 1 requirements, agency will submit a Quality Improvement Plan which may include monitoring, regular reports, and meetings. The Agency's monthly disbursements monitoring will increase from 10% to 20%.</p> <p><b>Year 3:</b> Non-compliant: Agency will be considered enhanced-risk and Agency must enter into a conditional contract amendment with CSB for the remainder of the current fiscal year and next fiscal year, if applicable. Disbursement monitoring increases from 10% to 20%. CSB may request additional external, specialized fiscal oversight on a case-by-case basis.</p>
Agency cannot document adequate insurance or does not have employee notices displayed properly	<p><b>Year 1:</b> Compliant w/conditions: Provide proof of insurance and place employee notices properly.</p> <p><b>Year 2:</b> Compliant w/conditions: In addition to Year 1 requirements, agency will submit a Quality Improvement Plan.</p> <p><b>Year 3:</b> Non-compliant: In addition to Year 2 requirements, agency to explain how the steps</p>

## Monitoring Guide for Sub-recipients Program Review & Certification

	outlined in the Quality Improvement Plan will be implemented.
<p>Agency with a final status of non-compliant;</p> <p>Agency has a “low”-performing program;</p> <p>Agency is in breach of Master Provider Agreement, Funded Partnership Agreements, HMIS Agency Agreement, Any Services, Crisis Services, Gift Card, or Equipment Agreement.</p>	Agency must enter into a conditional contract amendment with CSB for the remainder of the current fiscal year and next fiscal year, if applicable.



## **Monitoring Guide for Sub-recipients Program Review & Certification**

### **Exhibit 3 – Subrecipient, Second-tier subawards and contractor determinations**

#### **Policy:**

This policy establishes and outlines clear guidelines for distinguishing between subrecipients and contractors to ensure proper management, oversight, monitoring and reporting of federal funds in accordance with 2 CFR 200.331 and the Federal Funding & Transparency Act.

If it is determined that the recipient of federal funds is a subrecipient then a pre-award and post-award risk assessment will be performed, as well as a monitoring, in alignment with CSB's monitoring policies.

If it is determined the recipient is a contractor, risk assessment and monitoring are not required, but each invoice must be reviewed against the contract with the funding agency to determine eligibility and compliance.

#### **Definitions:**

**Contract:** A legal instrument by which a non-federal entity purchases property or services needed to carry out the project or program under a federal award. 2 CFR §200.22

**Contractor:** means a legal entity that enters a “procurement contract under an award” with a “recipient,” or with a “subrecipient.”

**Federal Funding Accountability and Transparency Act (FFATA):** A law requiring information on federal awards to be made publicly available through the System for Award Management and USASpending.gov.

**Pass-through entity:** A non-federal entity that provides a subaward to a subrecipient to carry out part of a federal program. Community Shelter Board (CSB), for the purposes of this policy, is the pass-through entity. Should a CSB grantee choose to subaward funds to another agency, they too would fall under this definition. 2 CFR §200.74

**Subrecipient:** A non-federal entity that receives a subaward from a pass-through entity to carry out part of a federal program; but does not include an individual that is a beneficiary of such program. For the purposes of this policy, the subrecipient may refer to Community Shelter Board or one of its funded partner agencies, if the funding source is federal. 2 CFR §200.93

**Second Tier Sub awardee:** When the CSB subrecipient subawards funds to another eligible agency, this agency is considered a second-tier sub awardee.

**Subaward:** An award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a federal program. A subaward may be provided through any form of legal agreement. 2 CFR §200.92

#### **Procedures:**

Prior to entering into any agreement, CSB staff and its subrecipients will evaluate the nature of the relationship with the entity receiving federal funds using the characteristics outlined below to determine whether an entity is a subrecipient (sub awardee) or contractor.

#### **Characteristics Indicative of a Subrecipient/Sub awardee:**

In general, characteristics whose presence supports the classification of an entity as a subrecipient are when the entity:

- Makes determinations about who is eligible to receive what assistance.
- Has its performance measured in relation to whether objectives of the program were met (e.g., is accountable for meeting HUD or other funder's-established performance measures).
- Has responsibility for programmatic decision making.

## **Monitoring Guide for Sub-recipients Program Review & Certification**

- Is responsible for adherence to applicable requirements in the program regulations and HUD's grant agreement with the recipient; and
- Uses the program funds to carry out a portion of a recipient's program or to carry out a project, for a public purpose specified in the regulations for the funding source, as opposed to providing goods or services for the benefit of the recipient or subrecipient.

### Characteristics Indicative of a Contractor:

Contractors are paid for providing goods or services to the recipient/subrecipient, to assist them in undertaking activities of the program. In general, characteristics whose presence supports the classification of an entity as a contractor are when the entity:

- Provides the goods and services within normal business operations.
- Provides similar goods or services to many different purchasers.
- Operates in a competitive environment.
- Provides goods or services that are ancillary to the operation of the federal program; and
- Is held to the terms of the contract rather than the compliance requirements of the federally funded program.

Note: Not all the characteristics will be present in every situation, and there might be unusual circumstances or exceptions to the listed characteristics. HUD and other federal funding sources expect recipients/subrecipients to use their best judgment in determining whether an entity is cast in the role of a subrecipient or contractor. In addition, note that a single entity could serve as a contractor in some situations and a subrecipient in others. Please note, any entity paid through federal funding must go through procurement processes consistent with 24 CFR part 85 (nonprofit organizations) or 2 CFR part 200, as applicable. When determining whether to use a subrecipient or a contractor, it is important to understand that there are key distinctions between subrecipients (including second tier subawards) and contractors—the two are not interchangeable. In general, a contractor does not have the same authority as a subrecipient. CSB partner's status as a subrecipient or contractor is documented utilizing the form below and within the contract.

CSB subrecipients passing funds along to another agency will complete the determination form below, assess their second-tier sub awardees' risk, and monitor their second-tier sub awardees prior to CSB's annual visit. Subaward agreements must comply with 2 CFR 200.332. Subrecipients must consult with CSB prior to the sub awarding of funds and pass along the fully executed agreements.

**Monitoring Guide for Sub-recipients  
Program Review & Certification  
Subrecipient/Second Tier Sub awardee vs. Contractor Determination Form**

In accordance with §200.331 of the Uniform Guidance, prior to passing through funds staff must determine, on a case-by-case basis, whether the entity receiving federal funds is a subrecipient or a contractor. Staff will complete and save this form in the grant contract folder prior to issuing the contract.

Subrecipient / Second-tier Subaward / Contractor Name: Click here to enter text.

Funding Agency Name: Click here to enter text.

Federal Project Title: Click here to enter text. Federal Assistance Listing Number: Click here to enter text.

**Check all that apply**

**Subrecipient:**

- ☐ Makes determinations about who is eligible to receive what assistance
- ☐ Has performance measured in relation to whether the objectives of the federal program were met
- ☐ Has responsibility for programmatic decision making
- ☐ Is responsible for adhering to applicable program requirements specified in the federal award.
- ☐ Will use the funds to carry out a program for a public purpose, as opposed to providing goods or services for the benefit of CSB.

**Contractor:**

- ☐ Provides the goods or services purchased with the funds within its normal business operations.
- ☐ Provides similar goods or services to many different purchasers.
- ☐ Performs a series of repetitive tests or activities requiring little or no discretionary judgment.
- ☐ Normally operates in a competitive environment.
- ☐ Provides goods or services that are ancillary to the operation of the program.
- ☐ Is not subject to the compliance requirements of the program as a result of the agreement with CSB (although similar requirements may apply for other reasons).

All of the characteristics listed above might not be present in all cases. Therefore, judgment must be used in classifying the agreement as either a subaward or a contract. In determining whether the agreement is a subaward or a contract, the substance of the relationship is more important than the form or name of the agreement. Based on my analysis of the above, the organization is a:

**Subrecipient:** ☐      **Contractor:** ☐

\_\_\_\_\_  
Staff Signature

Click or tap to enter a date.

Date

\_\_\_\_\_  
Staff Name (Please Print)

\_\_\_\_\_  
Staff Supervisor Signature

Click or tap to enter a date.

Date

\_\_\_\_\_  
Staff Supervisor Name (Please Print)