

Office of Housing & Homeless Prevention Monitoring Plan

Local, State & Federal Grant Monitoring

Subrecipient Monitoring for Local and State Funding Recipients

Thurston County is responsible for monitoring the day-to-day operations of its subrecipient activities to ensure compliance with all applicable requirements, individual project goals, and local program requirements.

To accomplish this, the Office of Housing and Homeless Prevention uses a variety of monitoring techniques to review subrecipient compliance. Through phone conversations, written correspondence, desk monitoring, and on-site monitoring visits, staff are able to review each subrecipient's ability to meet the program's financial, production, and overall management requirements and make necessary determinations or take necessary actions to preserve program integrity.

Regardless of the frequency with which a project is monitored by staff, the purpose and intent of any monitoring visit is to identify any potential areas of noncompliance and assist the subrecipient in making the necessary changes to allow for successful completion of the activity. By identifying and correcting any compliance issues, the likelihood of efficient and effective services being delivered to the intended County beneficiaries increases dramatically and ensures the continued success of both the subrecipient organization and the County. Monitoring is approached to build the capacity of subrecipients to meet requirements, and not to penalize.

After funds are awarded for individual activities, the staff role is then to ensure that subrecipients are carrying out their programs in accordance with all applicable laws and regulations, and are meeting the goals outlined in their subrecipient agreements. In carrying out this responsibility, the staff will help subrecipients identify problems or potential problems in implementing their activity, identify the causes of those problems, and help subrecipients correct them.

Wherever possible, problems are corrected through discussions and/or contract compliance measures with the subrecipient without the need for on-site monitoring visits. However, at least once per year, or as individual situations dictate, a desk monitoring review or on-site monitoring review and/or provision of technical assistance will be required. For agencies receiving only local fund sources, if the risk assessment determines the agency to be low-risk, review of invoicing and grant spend-down may be considered sufficient monitoring.

Monitoring Activities

Risk Assessment Process

Each year, the Office of Housing and Homeless Prevention will monitor and assess each funded activity to determine the degree to which an activity or subrecipient is at risk of noncompliance with program requirements. Each time the County enters into a new state or locally funded contract with an agency, they will be required to complete a risk assessment form and return it to the Thurston County Office of Housing and Homeless Prevention. The risk assessment will be sent to the point of contact for the contract. Upon receipt, the County will evaluate and grade each assessment culminating in a final score. This final score will then determine an agency risk score and which type of monitoring visit will be required. Low risk agencies, for example those who have been fiscally responsible for local, state and federal funding for multiple years and consistently have no findings on their annual audit, will receive a light desk-monitoring review; medium risk agencies will receive a full desk-monitoring review; and high-risk agencies, for example those with multiple audit findings and high staff turnover, will receive an on-site monitoring review. Low risk agencies receiving a light desk review can expect the County to review the fewest number of client files and fiscal documentation from the list below. Medium risk agencies can expect a full desk monitoring review which includes the list below and additional client files and fiscal documentation. Finally, a high-risk agency will receive an on-site review and can expect the deepest and most thorough review of everything on the list below and up to 25% of their client files and fiscal documentation. The majority of Thurston County agencies are low risk; therefore, the agencies will be on a rotation so each agency will have an onsite visit at least once every three years. The monitoring schedule may be impacted by Risk Assessment Scores and the frequency of onsite monitoring visits may increase.

Desk Monitoring

Desk monitoring is an ongoing process of reviewing subrecipient performance using all available data and documentation in making assessments of subrecipient performance and compliance with requirements. This process takes place within the Office of Housing and Homeless Prevention and does not generally involve subrecipient participation beyond submission of requested information. The following are among the sources of information that may be used in making determinations during the desk monitoring process:

- Requests for reimbursement and accompanying source documents;
- Audit reports;
- Staff reports from prior monitoring visits;
- Client/citizen comments and complaints;
- Information provided by other federal, state, county, and local agencies;
- Subrecipient responses to monitoring and/or audit findings;
- Original grant application;

- Subrecipient Agreement (as amended);
- Performance reports; and
- Litigation.

Use of Information

The information provided to the Office of Housing and Homeless Prevention will be used to observe patterns, changes, etc. in subrecipient activity and to identify any problems or potential problems and program status and accomplishments. Analysis of the data provided may indicate the need for on-site monitoring visits by the program staff to resolve issues of noncompliance or programmatic concerns.

On-Site Monitoring

In addition to or instead of the desk monitoring process, the program staff will conduct an on-site monitoring of each agency. Activities considered to be high risk will receive on-site monitoring first to head off any potential areas of noncompliance and provide the subrecipient with any technical assistance necessary to ensure compliance with requirements. Medium and low risk activities will receive on-site monitoring visits at the earliest possible date after all high-risk activities have been monitored. Medium risk activities will receive monitoring priority over low-risk activities. The program staff will notify subrecipients by mail of the time and date for their scheduled on-site monitoring visit. Notification will be provided approximately thirty days prior to the scheduled visit and will include identification of the areas to be monitored, any documentation to be made available and key staff that may need to be present.

Monitoring Areas

The Office of Housing and Homeless Prevention will generally review some or all of the areas identified below during the monitoring visit. Other areas for review may apply depending on activity type, subrecipient, etc. The extent of the review of these areas will vary from one activity to another.

- Financial Management Systems
- Procurement Standards
- Income Verification
- Individual Client Files
- Complaint Procedures
- Employee Records
- Guidelines and Requirements
- Record Keeping Systems
- Contract Management
- Lobbying/Political Activity
- Professional Services

- Compliance
- Civil Rights
- State or Independent Audit Results
- Program Policies and Procedures

Monitoring Visit

When conducting an on-site monitoring visit, the Office of Housing and Homeless Prevention will:

Conduct an entrance interview with key staff involved in conducting the activity.

Review all pertinent files, policies and procedures for necessary documentation.

Interview appropriate officials and employees of the subrecipient organization, and other parties as appropriate, to discuss the subrecipient's performance.

Discuss with the subrecipient any discrepancies resulting from the review of files, interviews, and site visit.

Conduct an exit interview with the appropriate officials and/or staff of the subrecipient organization to discuss the findings of the monitoring visit.

Monitoring Results

An official letter reporting the results of the monitoring visit will be sent to the authorized agency official and contract signatory (director, mayor, etc.) within 30 days of the monitoring visit. This letter will generally contain the following information:

- Project number and name of the activity monitored
- Date(s) of monitoring visit
- Name(s) of the Office of Housing and Homeless Prevention staff who conducted monitoring visit
- Scope of the monitoring visit
- Names of agency officials and staff involved in the monitoring visit
- Findings and results of the monitoring visit, both positive and negative, supported by facts
- considered in reaching the conclusions
- Specific recommendations or corrective actions to be taken by the subrecipient
- Time frame for completion of necessary action(s)
- If appropriate, an offer of technical assistance

Monitoring results will fall into the following categories, with specific differences based on agency, program, and grant being monitored: agency promising practices (where best practices are represented, or novel and beneficial ways of doing things are shown); satisfactory, (grant management is under control, with no recommendations or issues of note); recommendations (are not a requirement to be met, though will be directed towards process or quality improvement for the agency, and will be followed up on during subsequent risk assessment and monitoring documents); concerns, (an issue is noted, but documentation or the individual with the relevant knowledge is not available, such that research and follow-up on the issue will be required to either resolve it, or move it to being a finding); findings (scale in risk – low to high) which may require immediate corrective action with potential

mitigation necessary for any clients impacted. Technical assistance will be offered in all cases and required for any agency with high-risk findings.

Follow-up Action

If concerns or findings identified during the monitoring visit require corrective action by the subrecipient, those actions must be completed by the subrecipient within the time frame mandated in the monitoring letter, typically thirty days. In the event that the subrecipient fails to meet a target date for making required actions, a written request for response will be sent to the authorized agency official.

The County may withhold further payment to the subrecipient if a subrecipient has not sufficiently responded within 30 days from the corrective actions deadline, submitted the required responses and/or taken the required corrective action. Further, those corrective actions and/or responses must be acceptable to the County. If responses or corrective actions are determined to be unacceptable, the County may continue to withhold funds and/or terminate the contract until satisfactory actions are taken.

Resolving Monitoring Findings

The Office of Housing and Homeless Prevention will mail a letter to the authorized official of the agency stating that the findings are resolved when reviews of all documentation of corrective actions taken by the subrecipient indicate that the identified concerns or findings have been corrected to the satisfaction of the program.