# EXECUTIVE OFFICE of HOUSING and LIVABLE COMMUNITIES (EOHLC)

### MA BALANCE of STATE CoC (MA-516) SUBRECIPIENT MONITORING





- Introductions
- · What is monitoring?
- Process for selecting subrecipients to monitor
- Monitoring activities (areas of review)
- Resources
- Questions

### What is monitoring?

Monitoring is the activity of ensuring that the grant funds are used for authorized purposes in compliance with federal statutes, regulations, and conditions of the grant, and that the grantee's (subrecipient) performance goals are achieved.

EOHLC uses the following methods to select Subrecipient for monitoring:

- Emergency monitoring
- Subrecipient granted new contract
- o Subrecipient not monitored during a full fiscal year
- o Consistent issues
- Contract/grant ending and not renewed
- o Subrecipient failed to remedy prior monitoring and/or audit findings

Process for selecting subrecipients to monitor

### **Monitoring Methods**

EOHLC uses the following methods to monitor Subrecipien ts

- Site Visits
- Desk Reviews



Areas of Review Include: General Financial Review Fiscal Review Participant Review

Areas of Review

#### **GENERAL FINANCIAL REVIEW**

- Population Served and Count
- Units Used Count
- Use of Budget
- Prior Monitoring/Audit Results
- Most Recent Annual Audited Financial Statement
- Most Recent Project Ranking Score
- Verify Active Business Entity with MA Secretary of State
- Federal and State Verification
  - Verification of 501(c)(3) determination status
  - Check IRS revocation list.
  - Verification of SAM records

# Monitoring Areas of Review

General Financial Review (GFR) - TOOL						
B) Population Served Count Review		Contract Count (NOFA p.37)		Provider Actual Count (APR Q05a	)	Unmet Balance
					/ % Variance	- #DIV/0!
	If unmet balance is greater than or eq	ual 10% please note as a concern	and include in monitoring repo		76 Valiance	#DIV/0!
			and moldae in monitoring repe			
C) Units Used Count Review		Contract Count (NOFA p.37)		Provider Actual Count (APR Q02)		Unmet Balance
					% Variance	#DIV/0!
	If unmet balance is greater than or eq	ual 10% please note as a concern	and include in monitoring repo	rt.		#DIV/0!
D) Use of Durlant Devices		Dudent Americat		tual Amount Daimhumad (ADD O	20)	Lines ant Dalance
D) Use of Budget Review		Budget Amount	Ac	tual Amount Reimbursed (APR Q	28)	Unspent Balance
					Variance	- #DIV/0!
	If unspent balance is greater than or e	orual 10% please note as a conce	n and include in monitoring rer		/o vanance	#DIV/0!
			,,,,,,			
E) Prior Monitoring/Audit Results						
F) Most Recent Annual (Single) Audited Financial Statement			WITH			
G) Most Recent Project Ranking Score						
H) Federal and State Verification						
Verification of 501(c)(3) determination status					r	
Check IRS Exempt Organization Status. Verify information at:	https://apps.irs.gov/app/eos/			Status:	Active	
If N/A provide explanation or check revoked list:						
Check IRS revocation list: Verify information at:						
Verification of SAM records		ity ID #:				
Check SAM Status. Verify information at:				Status:	Active	
Verify Active Business Entity with MA Secretary of State						
Check SOS Status. Verify information at:	nttps://corp.sec.state.ma.us/	corpweb/corpsearch/corp	search.aspx	Status:		

### **FISCAL**

- Review of the subrecipient's financial systems and internal controls
- Review of program expenditures
- Verification that expenditures claimed on invoices/requisition to EOHLC are supported by appropriate source documentation and that classifications are appropriate.

## Monitoring Areas of Review – (cont.)

#### FISCAL- TESTING PAYROLL ATTRIBUTES

Payroll Review (PR)					Ì								
Pay period ending (1 pp per line)	Employee Name (Las Name, First Inia)	Job Title (Abbreviate)	Total Hours worked per time record	Hours Worked on Program	Total Hours in pay period (from pay register)	% Allocation per time record	Allocation Amount per time record	Amount Billed to EOHLC	% Billed to EOHLC	Questioned Costs	Related Benefits	Related Admin Costs	Total Questioned Costs
						0.00%			0.00%	-	-	-	
						0.00%	-		0.00%				
						0.00%	-		0.00%				
								Total Qu	estioned Costs	ş.	ş.	ş.	\$-

#### FISCAL- TESTING NONPAYROLL

Non-Pa	roll Review (NPR)											
Date	Vendor	Check Number	Basis of Allocation (Dired, FTE, Sq. t., etc.)	Amount in G/L	Invoice Amount	% Allocated per G/L	Allocated Amount		% of Invoice charged to EOHLC Program	Questioned Costs	Related Admin Cost	Total Questioned Costs
						0.0%	-		0.00%			-
						0.0%	-		0.00%			-
						0.0%	-		0.00%	-		-
								Total Que	stioned Costs	ş.	ş -	ş -

# Monitoring Areas of Review – (cont.)

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#### FISCAL- TESTING CASH

Cash Management Review (CMR)									
Bank Reconciliations									
Subrecipient has policy on reconciliation of bank re	conciliations								
Policy details procedures for reconciliation									
Bank reconciliations reviewed:									
Subrecipient maintains the following accounts for the purpo	ses described:				Month				
Bank account name			Purpose		Reviewed				
			Checking - Operating						
Bank reconciliations were performed and approved in a time	ely manner:								
Included appropriate signatures: Preparer:									
		Reviewer:							
		Date	e of oldest outstanding check:						
Reconciling items resolved in a timely manner. Compliant	with subrecipient's policy?								
Note any questions, comments or findings:									
Conclusion based upon the testing performed:			Finding						
		Program Income							
Did subrecipient earned Program Income during the grant ter	m (income was directly ger	nerated by a grant-support	ed activity) ?						
Did subrecipient appropriately receive, use and record income	Did subrecipient appropriately receive, use and record income to general ledger to benefit program in accordance with 24 CFR 578.97 & 2 CFR 200.307? (If applicable)								
Conclusion based upon the testing performed:			Compliant						

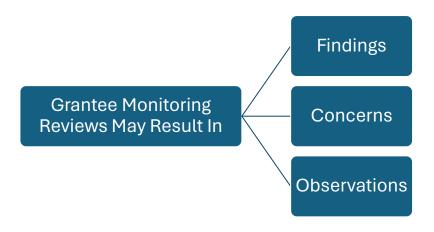
#### MATCH REVIEW

Match Review (MR)		
Matching Requirements (SHP/CoC ONLY):		Continuum of Care (CoC)
Subrecipient must provide matching funds or in-kind	contributions of a stated percentage of total program costs in accordance with contract	
and HUD regulations.		All Activities
Total EOHLC Reimbursed Program Expenditures		
Less Leasing Costs		
Less Costs Disallowed During Monitoring		
Total Revised EOHLC Program Expenditures		-
Required Match %		25%
Minimum required match		-
Expenditures from Cash Match		
Expenditures from In-Kind Match		
Total actual verified match costs		-
Result-Did Agency Meet Match Expenditure Re	quirement?	Met
Actual Cash Match Revenue		-
Actual In-Kind Revenue		-
Actual verified match revenue		-
Result-Did Agency meet Match Revenue Requ	irements	Met
Do amounts reported on APR reconcile to general le	dger monitored?	Yes
Does the Subrecipient have a match letter? (if so, co	Ilect and file the letter for EOHLC records)	Yes

# Monitoring Areas of Review – (cont.)

#### PARTICIPANT REVIEW

Participant Review (PR)	Use participant HMIS ID# only	
Description	ID#	ID#2
Service Provided		
Rental Assistance		
Lease		
Supportive Services		
Participant File		
Documentation showing <u>chronic homelessness</u> prior to admission in the program.		
(Homeless Status and Eligibility Determination)		
A Service Plan for each household and/or household member		
The household's signed statement acknowledging they have received, understand, and will		
comply with program rules		
Inspections, permits & occupancy Standards (habitability standards) - Units must be		
inspected, at minimum, monthly by program staff.		
Notices of rules violations		
Signed release(s) of information for outside providers.		
A log of all contact with the household. This log shall detail progress toward meeting goals		
and objectives outlined in Service Plan.		
A copy of the signed Occupancy Agreement		
A signed copy of a HUD compliant Rent Calculation Form.		
A signed copy of the household's right to appeal and written process of same		
An HMIS privacy and/or release of information notice		
Intake, mid-program (at least annually) and exit assessments (if applicable)		
Client referrals for the projects from either the BoS Coordinated Entry System of the		
Coordinated Entry System administered by the continuum in which the project actually		
exists.		



# Monitoring Areas of Review – (cont.)

- Code of Federal Regulations (CFR) <u>2 CFR §200 Uniform Administrative Requirements,</u> <u>Cost Principles, And Audit Requirements for Federal Awards - Code of Federal</u> <u>Regulations (ecfr.io)</u>
- CPD Monitoring Handbook (6509.2) <u>CPD Monitoring Handbook (6509.2) | HUD.gov /</u> <u>U.S. Department of Housing and Urban Development (HUD)</u>
- Generally Accepted Accounting Principles (GAAP)
- MA BoS CoC Governance Charter
- $\circ~$  MA Written Standards and Policies and Procedures for ESG and CoC Funded Programs
- $\circ~$  EOHLC Contract with Subrecipient

### Resources

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