



We Are Columbia

**CITY OF COLUMBIA
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
DISASTER RECOVERY PROGRAM**

MONITORING PLAN

JANUARY 2019

TABLE OF CONTENTS

	PAGE
MONITORING OVERVIEW	3
PURPOSE OF MONITORING	4
MONITORING RESPONSIBILITIES	4
DESIGNATION OF MONITORING COORDINATOR AND ASSIGNED RESPONSIBILITIES	5
PROJECT MANAGEMENT AND ADMINISTRATION	5
MONITORING STRUCTURE	6
TYPES OF MONITORING	6
MONITORING PROCESS	7
RISK ASSESSMENT	7
RISK ASSESSMENT MATRIX	8
NOTIFICATION AND MONITORING SCHEDULE	8
ENTRANCE CONFERENCE	9
EXECUTE THE MONITORING REVIEW	9
EXIT CONFERENCE	11
MONITORING REPORT	11
DATA INPUT INTO DRGR	11
TECHNICAL ASSISTANCE	11
FOLLOW-UP	12
ATTACHMENTS	13
EXHIBIT 6-1—OVERALL MANAGEMENT OF CDBG DISASTER RECOVERY GRANTS	
EXHIBIT 6-2—FLOOD ZONE AND FLOODWAY BUYOUTS AND NON-BUYOUT ACQUISITION	
EXHIBIT 6-3—NEW CONSTRUCTION OF HOUSING	
EXHIBIT 6-4—INFRASTRUCTURE	
EXHIBIT 6-5—ECONOMIC DEVELOPMENT	
EXHIBIT 6-6—HOUSING REHABILITATION AND RECONSTRUCTION	
EXHIBIT 6-7—WRITTEN AGREEMENTS	
EXHIBIT 6-8—PROCUREMENT	
EXHIBIT 6-9—FINANCIAL MANAGEMENT	

MONITORING OVERVIEW

The City of Columbia has established this Plan to monitor the following **four** areas of the Community Development Block Grant Disaster Recovery (CDBG-DR) Program:

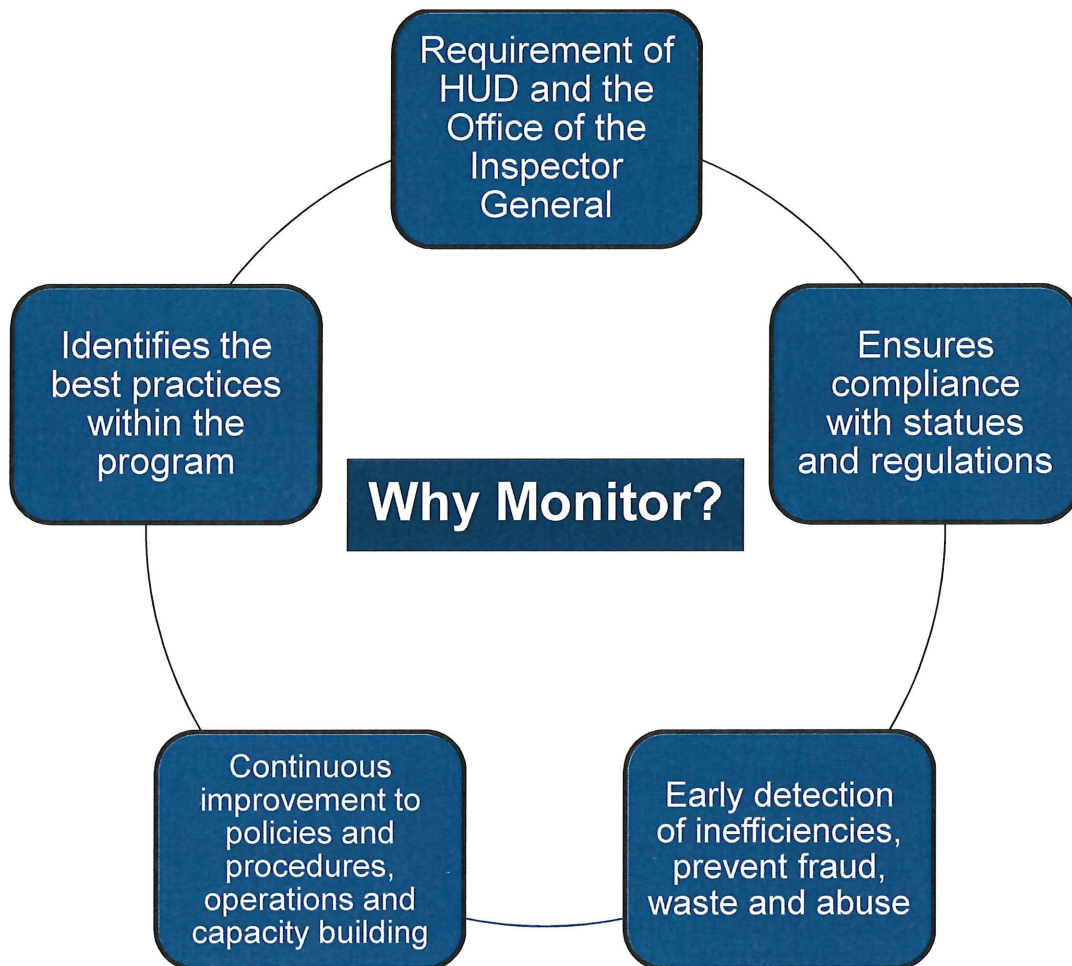


The City of Columbia anticipates that the implementation of this plan will better:

- Gauge the overall progress and effectiveness of program implementation.
- Identify and resolve compliance issues that may compromise program integrity, funding, and service delivery.
- Identify areas that would benefit from technical assistance.
- Explain the purpose of monitoring and why it is essential for the City of Columbia.
- Differentiate the types of monitoring techniques that will be used during the monitoring review process.
- Explain the current monitoring structure model.
- Identify the role of the Monitoring Coordinator along with their essential assigned responsibilities.
- Demonstrate how the City of Columbia will conduct risk assessments and draw conclusions based on the results.

PURPOSE OF MONITORING

Monitoring plays a vital role in the success of the City of Columbia's programs. The chart below illustrates why the monitoring process is required and the benefits that monitoring assessments can help provide:



MONITORING RESPONSIBILITIES

The City of Columbia is responsible for monitoring itself, subgrantees, subrecipients, contractors and anyone who spends Disaster Recovery funds.

The City of Columbia (the grantee) monitors:

- Grantee's projects
- Direct subrecipients, including a sample of the subrecipient's projects
- Program/project administrators

The subrecipient monitors:

- Direct subrecipient's programs
- Program/project administrators
- Contractors and subcontractors
- Program participants

DESIGNATION OF MONITORING COORDINATOR AND ASSIGNED RESPONSIBILITIES

The Community Development (CD) Program Compliance Specialist for the CDBG-DR Program has been identified as the *'Monitoring Coordinator'* for the City of Columbia and for the purposes of this Monitoring Plan.

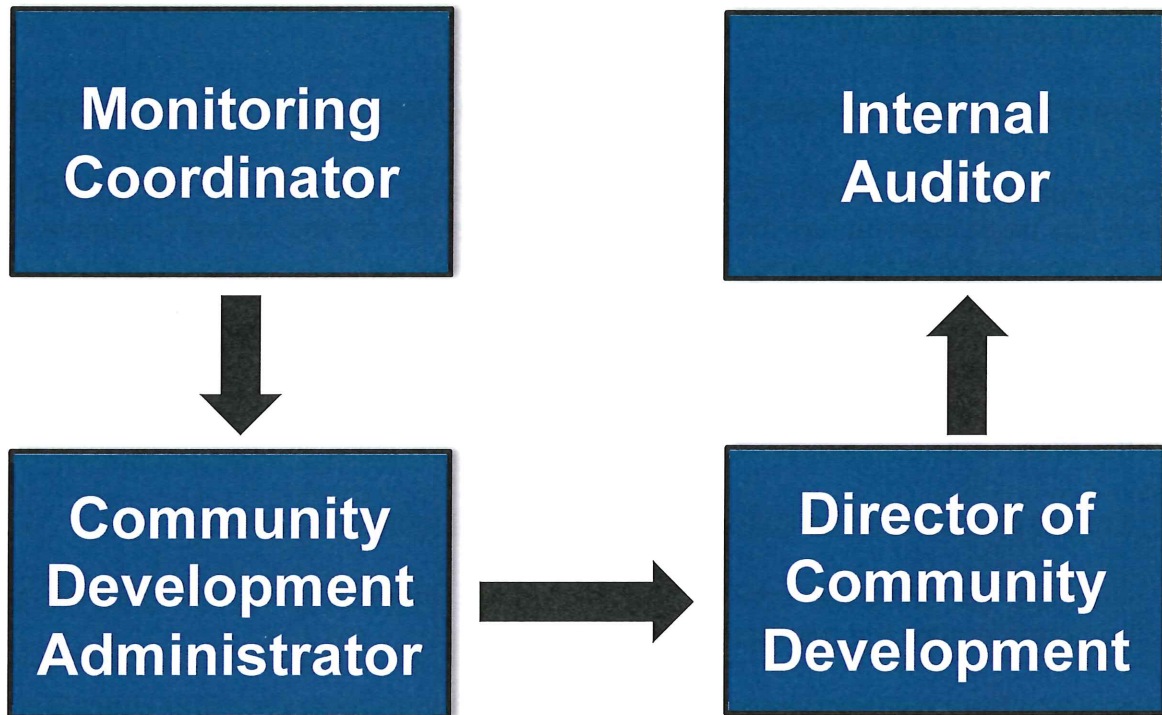
The Monitoring Coordinator will:

- Establish the Monitoring Schedule and ensure monitoring occurs as outlined within the Plan
- Ensure proper documentation and tracking of all monitoring efforts
- Conduct an entrance conference before the monitoring review and an exit conference after the monitoring review
- Execute the monitoring review while using monitoring resources and checklists
- Input pertinent data into the Disaster Recovery Grant Reporting (DRGR) system
- Prepare monitoring reports and recommend corrective actions
- Notify the Internal Auditor of issues that may result in a HUD finding, program sanctions or require the repayment of federal funds

PROJECT MANAGEMENT AND ADMINISTRATION

The Monitoring Coordinator is responsible for coordinating execution of the Disaster Recovery Monitoring Plan. On-going internal review of program and application files for completeness and accuracy begins with the CDBG-DR Manager and Compliance Specialist. The Monitoring Coordinator conducts compliance monitoring reviews for the Disaster Recovery program, project and activity files on a monthly basis and reports are provided to the CD Administrator for review and to the CD Director for approval. All final reports are provided to the Internal Auditor on a quarterly basis. The diagram below illustrates the Monitoring Structure.

MONITORING STRUCTURE



TYPES OF MONITORING

The Monitoring Coordinator will perform an initial risk assessment to evaluate each DR project and activity to determine what level of monitoring will be conducted to ensure that all projects and activities are compliant. A range of monitoring methods will be used including (but not limited to):

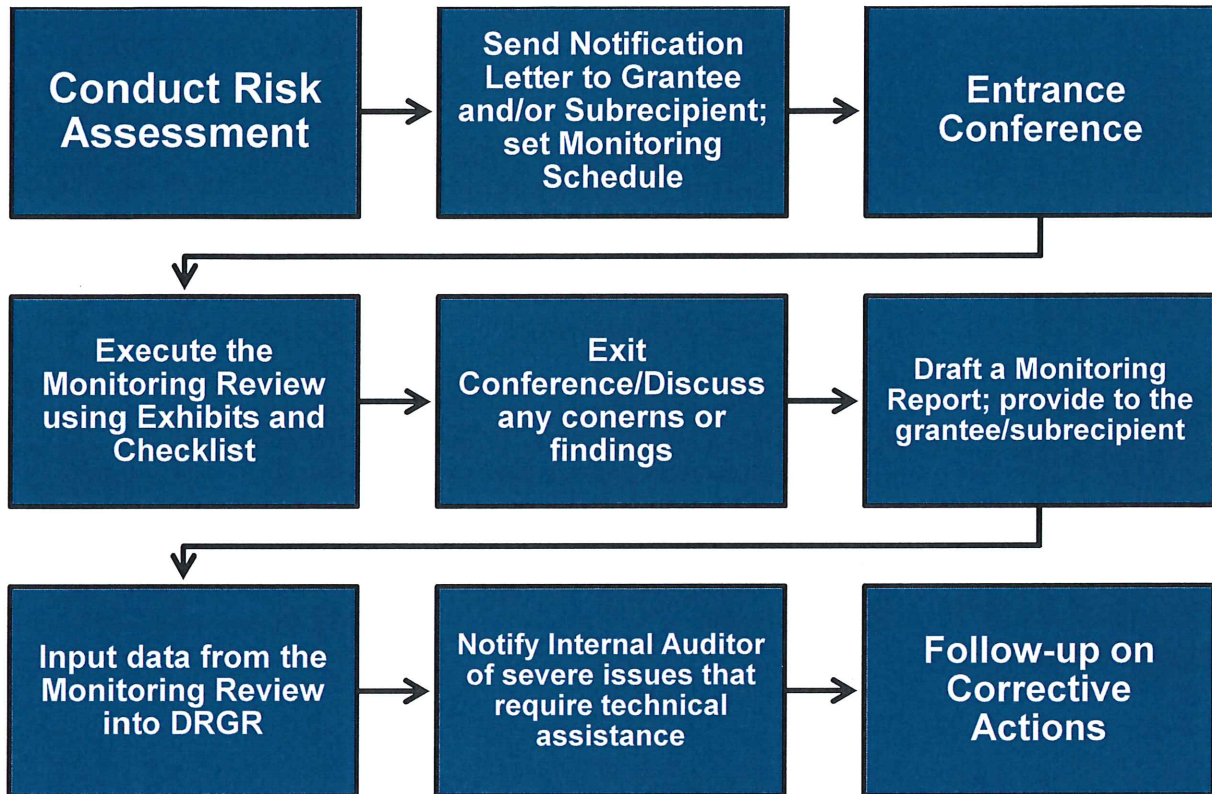
- Limited Review
- In-Depth Review
- On-Site Review
- Remote Review

Additional reviews may be performed to monitor consultants and/or projects as deemed necessary by the Internal Auditor.

At least one (1) onsite review will be conducted of all projects prior to closeout by the Monitoring Coordinator. This review will occur early enough in the project life cycle to allow time for technical assistance and/or the resolution of any corrective actions that may be identified.

MONITORING PROCESS

The City of Columbia's monitoring process is illustrated below and described in the subsequent sections:



RISK ASSESSMENT

Risk assessment results are used to determine the priority of monitoring reviews. The Monitoring Coordinator will use a Risk Assessment Matrix (diagram below) to gauge the capacity of the overall programs and activities. Programs that have a higher score according to the Risk Assessment Matrix are considered *High Risk*. This will be taken into consideration when scheduling the initial and subsequent monitoring reviews

In cases where a risk assessment is not performed, the basis for determining monitoring prioritization will be documented and recorded in the corresponding file.

RISK ASSESSMENT MATRIX

CATEGORY	RISK ASSESSMENT CRITERIA	RISK CATEGORY/POINTS <i>High-5; Medium- 3; Low- 1</i>
FUNDING	CRITERION BASED ON AGENCY OR SUBRECIPIENT AWARD AMOUNT	>\$20 MILLION (HIGH- 5) \$20 – 10 MILLION (MEDIUM- 3) <\$10 MILLION (LOW- 1)
PROJECT TYPE	CRITERION BASED ON TYPES OF PROJECTS ADMINISTERED	HOUSING AND ECONOMIC DEVELOPMENT (HIGH- 5) INFRASTRUCTURE (MEDIUM- 3) PLANNING (LOW- 1)
NUMBER OF PROGRAMS	CRITERION BASED ON THE NUMBER OF PROGRAMS FUNDED/ADMINISTERED	6 OR MORE (HIGH- 5) 3-5(MEDIUM- 3) 3 OR LESS(LOW- 1)
CDBG-DR EXPERIENCE	CRITERION BASED ON FUNDED ENTITY EXPERIENCE WITH HUD PROGRAM AND/OR DISASTER FUNDS	0-3 (HIGH- 5) 4-6(MEDIUM- 3) 7 YEARS OR MORE(LOW- 1)
FUNDED ENTITY- PARTNER AGENCY OR SUBRECIPIENT	CRITERION BASED ON AGENCY OR SUBRECIPIENT AWARD AMOUNT	>\$10 MILLION (HIGH- 5) \$10- 5 MILLION (MEDIUM- 3) <\$5 MILLION (LOW- 1)

NOTIFICATION/MONITORING SCHEDULE

A Notification Letter should be sent to the grantee and/or subrecipient informing them they will be monitored. The letter should include the following information:

- Scheduled date of monitoring review
- Established whether it will be on-site or remote monitoring review
 - If conducting *on-site* monitoring: confirm the reservation of a conference room and access to a computer and telephone
 - If conducting *remote* monitoring: confirm what information is needed by the participant and a timeline
- Monitoring Schedule
- Areas that will be reviewed
- Names and titles of staff that will be conducting the monitoring review

Internal file audits for projects and activities are performed **monthly** by the Monitoring Coordinator through various methods and reports are submitted to the CD Administrator. Quarterly monitoring reports are submitted to the Internal Auditor. At least one (1) onsite review will be conducted of all projects prior to closeout. This review will occur early

enough in the project life cycle to allow time for technical assistance and/or the resolution of any corrective actions that may be identified.

If a subrecipient administers the project, the Monitoring Coordinator will do an on-site monitoring of the program, financial and project files for compliance with the CDBG Statute and Regulations and 2 CFR Part 200 OMB Super Circular, as well as specific disaster recovery requirements under Disaster Relief Appropriations Act of 2016 (Public Law 115-31, Effective: August 14, 2017); (Public Law 114-3, Effective June 22, 2016).

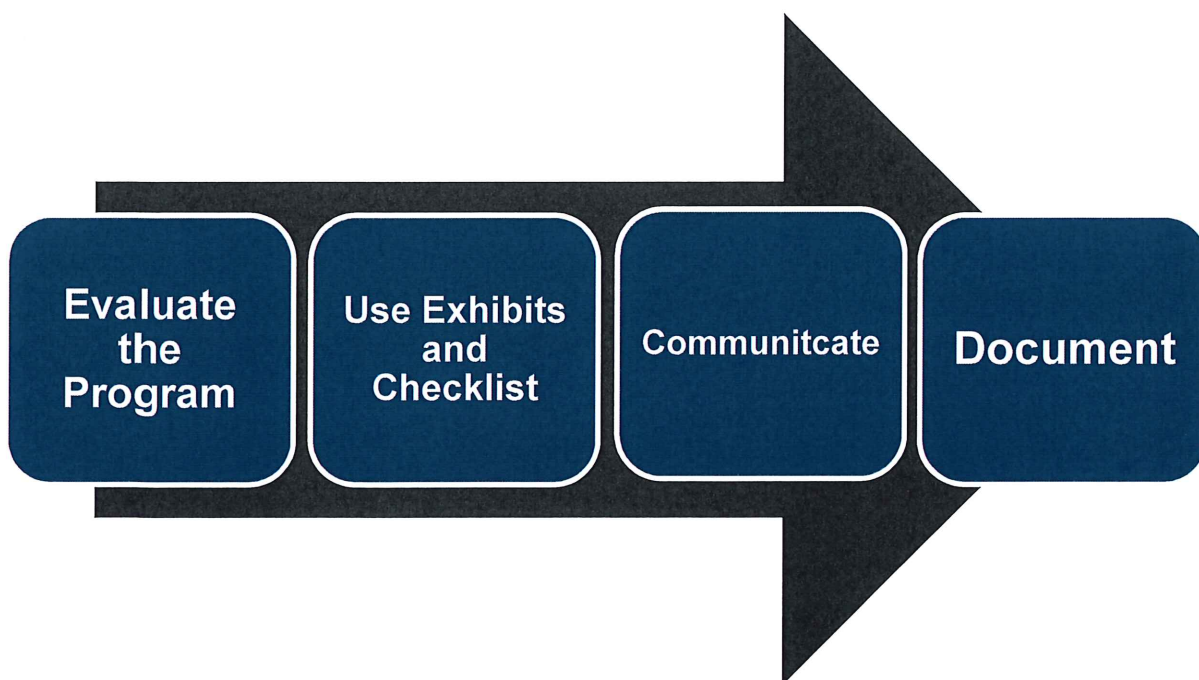
ENTRANCE CONFERENCE

The following items should be discussed at the entrance conference and fully understood by all parties involved:

- Explain how the monitoring will be conducted
- Identify and confirm key program staff who will be assisting
- Confirm meeting and/or interview times
- Verify programs and activities that will be reviewed
- Ensure access to files and work areas

EXECUTE THE MONITORING REVIEW

The illustration and subsequent sections below demonstrate how to successfully conduct and execute the monitoring review:



EVALUATE THE PROGRAM

- Review files for required information
- Ensure consistency with written policies and procedures
- Interviews with program participant staff, contractors, subrecipients and clients to determine the accuracy of the information and level of satisfaction with the services that are being provided.

EXHIBITS AND CHECKLISTS

The Monitoring Coordinator will review HUD resources and crosscutting requirements when monitoring the CDBG-DR program. The HUD CPD Monitoring Handbook 6509.2., applicable CDBG-DR Public Laws and Federal Register Notices as well as CDBG Statute and Regulations and 2 CFR Part 200 OMB Super Circular, will be used to ensure specific disaster recovery requirements are met for any projects/activities funded under Disaster Relief Appropriations Act of 2016 (Public Law 115-31, Effective: August 14, 2017); (Public Law 114-3, Effective June 22, 2016).

The following HUD monitoring exhibits will be utilized:

- **Exhibit 6-1:** Overall Management of CDBG Disaster Recovery Grants **(Attachment A)**
- **Exhibit 6-2:** Flood Zone and Floodway Buyouts and Non-Buyout Acquisitions **(Attachment B)**
- **Exhibit 6-3:** New Construction of Housing **(Attachment C)**
- **Exhibit 6-4:** Infrastructure **(Attachment D)**
- **Exhibit 6-5:** Economic Development **(Attachment E)**
- **Exhibit 6-6:** Housing Rehabilitation and Reconstruction **(Attachment F)**
- **Exhibit 6-7:** Written Agreements **(Attachment G)**
- **Exhibit 6-8:** Procurement **(Attachment H)**
- **Exhibit 6-9:** Financial Management **(Attachment I)**

Program Checklists for the monitoring review should include the following:

- Overall management
- Financial management
- Procurement (including M/WBE outreach)
- National Objective
- Cost allowability/eligible activities
- Labor Standards Administration (if applicable)

COMMUNICATE

- Keep program staff informed on how the monitoring review is progressing
- Discuss problem areas that have been identified
- Allow participants to make immediate corrections or adjustments
- Provide additional information to assist with review

DOCUMENT

- Record responses to questions that will inform decisions
- Record any issues/concerns that should be presented at the exit conference

EXIT CONFERENCE

The exit conference will serve as a forum to inform program participants of any preliminary findings or concerns. This information should also be shared with the appropriate program officials.

MONITORING REPORT

Upon completion of the monitoring review, the Monitoring Coordinator will draft a Monitoring Report Summary that identifies the results of the review (areas of merit and/or issues identified, if any), the basis for the conclusions and citation of the law/regulation(s) to support the conclusion (if applicable), and any deficiencies per HUD Exhibits. The draft Monitoring Report Summary will be submitted to the CD Administrator for review and CD Director for approval. Once the Monitoring Report has been approved, the Monitoring Coordinator will forward the report to the appropriate program officials and to the Internal Auditor (IA). All responses to corrective actions will be documented and included as a part of the monitoring report summary. The Monitoring Report summary will be documented in the program file.

DATA INPUT INTO DISASTER RECOVERY GRANT REPORTING (DRGR)SYSTEM

Once all required corrective actions have been resolved and all information has been mitigated, the completed summary of data will be entered into the DRGR system, placed into the appropriate master file and provided to the City's Internal Auditor.

TECHNICAL ASSISTANCE

When findings or concerns are identified as a result of the monitoring review, technical assistance will be required to assist in the resolution of the issue. The objective of technical assistance is to ensure compliance with Federal, State, and City of Columbia

regulations and CDBG-DR program requirements. The nature and extent of technical assistance will be determined at the discretion of the City of Columbia Community Development Staff, the Internal Auditor, and the HUD Community Planning and Development Specialist, Disaster Recovery and Special Issues Division.

Some examples of technical assistance will include:

- Verbal or written advice;
- Formal training; and/or,
- Documentation and guidance.

Evidence of technical assistance will be maintained within the Program and Project files as well as the DRGR System.

FOLLOW-UP

In the event that issues are identified for corrective action, follow-up actions will be scheduled to address the progress of the resolution. The timing and frequency of the follow-up communication will be determined at the discretion of the Monitoring Coordinator, CD Administrator, CD Director and/or Internal Auditor, and will be based on the severity of the deficiency. All follow-up actions will be documented within the program file and the DRGR System.

CERTIFICATION:

This Monitoring Plan is the formal plan by which the City of Columbia conducts its monitoring activities for all projects funded under the Disaster Relief Appropriations Act of 2016 (Public Law 115-31, Effective: August 14, 2017); (Public Law 114-3, Effective June 22, 2016).



Gloria Saeed, Director Community Development
City of Columbia

