



Community Services Block Grant

Information Memorandum | Transmittal No. 2015-5

To: West Virginia Community Services Block Grant Eligible Entities
From: Julie Alston
WV Office of Economic Opportunity
Date: October 1, 2015
Subject: CSBG Monitoring Policy - DRAFT V.1

Purpose:

The West Virginia Office of Economic Opportunity is committed to the diligent adherence to the requirements of Section 678B(a) of the CSBG Act. Monitoring is one of the most important forms of support OEO can provide to subrecipients. While the basic obligation of monitoring is to assess compliance, OEO also views monitoring as a continuing opportunity to learn about the entity, the communities it serves, and to offer technical assistance or provide support to the entity as requested.

Types of State Monitoring

OEO will conduct the following types of monitoring of CSBG subrecipients.

- (a) Triennial Onsite Programmatic Monitoring: As required by the CSBG Act, OEO will provide a full onsite programmatic review of each eligible entity no less than once every three years. The purpose of an on-site visit is to assess the necessary compliance by the eligible entity with the programmatic and fiscal requirements of the CSBG Act. This visit will be conducted in accordance with the guidance provided in Information Memorandum Transmittal No. 97, dated October 10, 2006.
- (b) Annual Onsite Fiscal Monitoring: OEO will conduct a complete fiscal review annually for each subrecipient to strengthen financial oversight of the CSBG awards. The review will include, but may not be limited to, a full review and testing of subrecipient financial/accounting policies and practices, a review of invoicing and monthly expenditure reporting, and the accuracy of related documentation. The monitors will review financial statements and other accounting records to ensure all CSBG funds are maintained and utilized in accordance with all applicable state and federal regulations.
- (c) New Eligible Entity Monitoring: An onsite review of each newly designated entity is conducted immediately after the completion of the first year in which such entity receives funds through the Community Services Block Grant program;
- (d) Follow-up Monitoring: Follow-up reviews will occur for eligible entities, and their programs that fail to meet the goals, standards, and requirements established by the State. If the on-site monitoring reveals serious deficiencies and the deficiencies are not corrected in a timely manner in accordance with requirements, OEO will conduct a follow-up on-site monitoring review and provide training and technical assistance as deemed necessary.
- (e) Additional Monitoring: Other reviews are conducted as appropriate. These might include reviews of entities with programs that have had other Federal, state, or local grants (other than assistance provided under the Community Services Block Grant program) terminated for cause. ('676B(a) When a CSBG eligible entity is experiencing problems with programs other than CSBG, OEO will conduct additional reviews and maintain close contact with the entity to ensure that state staff members are available to provide training and technical assistance as deemed necessary for the CSBG program operations.

- (f) The State also conducts routine in-house desk reviews which include an examination of performance and expenditure rates based on monthly reports submitted to OEO by each eligible entity and a review of quarterly outcome and performance data.

Post-Monitoring Procedures

OEO will provide timely feedback to eligible entities and other CSBG funded organizations. on the results of each monitoring visit with an opportunity for the monitored entity to respond to all deficiency findings and recommendations. All deficiencies identified will be tied to either a requirement in the grant agreement with the State, statutory or regulatory authority.

- (a) After an on-site monitoring visit, the OEO monitoring team will provide a written monitoring report to the entity's executive director within 60 calendar days that documents the deficiency findings, corrective actions required, and recommended actions. A copy of the state's monitoring report is also provided to the presiding officer and/or the entity's governing board at the discretion of OEO.
- (b) CSBG eligible entities and other CSBG funded organizations are required to respond to the report within an assigned timeframe, typically 30 days to assure the 60 day timeframe as described in authorizing statute is met.
- (c) The OEO monitoring team will evaluate the adequacy of the responses and corrective action. Approval of the proposed corrective action(s) or quality improvement plan will occur within 30 days of receiving the entity's response. The entity will be informed of any deficiencies OEO has deemed to be corrected at the time of approval and/or deficiencies that will require follow-up monitoring from OEO.
- (d) If the entity's response is not sufficient to correct the deficiencies, the OEO monitoring team will work with the entity to formulate an appropriate plan to correct the identified deficiencies.
- (e) OEO will offer and provide training and technical assistance as appropriate in situations described in (c) and (d) of this section.
- (f) If an entity's response is to contest an identified deficiency, OEO will either sustain or reverse its initial deficiency finding. If OEO reverses its decision about the contested deficiency, a revised written report will be completed and provided to the entity.
- (g) If the entity fails to respond within the assigned timeframe, OEO will contact the entity to remind them of the requirement to respond to the identified deficiencies and outline the actions OEO will take if the entity continues not to respond. The entity will have a week grace period starting from the reminder date to submit their response to OEO. The entity will also be required to provide an explanation as to why they failed to respond during the initial timeframe.
- (h) If the entity fails to respond within the week grace period, OEO will consider initiating termination procedures taking into account the seriousness of the deficiency identified, the entity's communication with OEO throughout the monitoring process, the possibility for the entity to still meet the statutory 60 day timeframe to initiate corrective actions and past performance.
- (i) A follow-up on-site or desk monitoring will be scheduled as deemed necessary to ensure that deficiencies have been corrected. Once the OEO monitoring team has determined that all deficiencies have been corrected, the entity will be informed and the findings closed.

Corrective Action, Termination and Reduction of Funding

If the State determines, on the basis of a final decision in a review pursuant to section 678B of the CSBG Act, that an eligible entity fails to comply with the terms of an agreement, or the State plan, to provide services under this subtitle or to meet appropriate standards, goals, and other requirements established by the State (including performance objectives), the State shall

- (a) Inform the entity of the deficiency to be corrected;
- (b) Require the entity to correct the deficiency;

- (c) Offer training and technical assistance, if appropriate, to help correct the deficiency, and submit to the Secretary a report describing the training and technical assistance offered or stating the reasons for determining that training and technical assistance are not appropriate.
- (d) At the discretion of the State (taking into account the seriousness of the deficiency and the time reasonably required to correct the deficiency), allow the entity to develop and implement within 60 days after being informed of the deficiency, a quality improvement plan to correct such deficiency within a reasonable period of time, as determined by the State; and
- (e) Not later than 30 days after receiving from an eligible entity a proposed quality improvement plan pursuant to paragraph (d), either approve such proposed plan or specify the reasons why the proposed plan cannot be approved; and
- (f) After providing adequate notice and an opportunity for a hearing, initiate proceedings to terminate the designation of or reduce the funding to the eligible entity unless the entity corrects the deficiency. (678(C)(a))
- (g) REVIEW.—A determination to terminate the designation or reduce the funding of an eligible entity is reviewable by the Secretary. The Secretary shall, upon request, review such a determination. The review shall be completed not later than 90 days after the Secretary receives from the State all necessary documentation relating to the determination to terminate the designation or reduce the funding. If the review is not completed within 90 days, the determination of the State shall become final at the end of the 90th day.
- (h) DIRECT ASSISTANCE.—Whenever a State violates the assurances contained in section 676(b)(8) and terminates or reduces the funding of an eligible entity prior to the completion of the State hearing described in that section and the Secretary's review as required in subsection (b), the Secretary is authorized to provide financial assistance under this subtitle to the eligible entity affected until the violation is corrected. In such a case, the grant or allotment for the State under section 675A or 675B for the earliest appropriate fiscal year shall be reduced by an amount equal to the funds provided to such eligible entity.

Effective Date:

The policies and procedures outlined in this Information Memorandum will officially go into effect beginning October 1, 2015.