City of Spokane

Community Housing and Human Services

PROGRAM MONITORING POLICIES AND PROCEDURES

Program Monitoring Policies and Procedures

I. Purpose and Authority

Policy

The City of Spokane, through its Community, Housing, and Human Services (CHHS) Department, is responsible for ensuring that all sub-recipients of federal, state, and local funds comply with applicable regulations, maintain fiscal accountability, and deliver services that align with community goals. Monitoring ensures that public funds are used for eligible activities, safeguards against fraud, waste, and mismanagement, and confirms that sub-recipients achieve performance outcomes and contract goals.

Procedure

All CHHS monitoring activities are guided by the following regulations and standards:

- Washington State Department of Commerce, CHG Guidelines
- 24 CFR 578 (Continuum of Care), 24 CFR 576 (Emergency Solutions Grant)
- 2 CFR 200 (Uniform Guidance)
- HUD Youth Homelessness Demonstration Program (YHDP) guidelines
- HHOS Grant Program Guidelines
- Spokane Regional Five-Year Plan to Prevent and End Homelessness
- HMIS Data Standards

CHHS staff will apply this framework consistently across all funding streams, with adjustments as required by funding source.

II. Monitoring Standards

Policy

CHHS will monitor all sub-recipients on a risk-based schedule. Monitoring may include desk reviews, on-site visits, remote monitoring, and technical assistance. Sub-recipients and/or projects designated as 'high risk' will receive enhanced oversight.

Procedure

Risk Assessments are conducted during RFP application review, at contract execution, and annually at renewal. Risk factors include audit or monitoring findings, missed deadlines, reporting errors, poor performance against the Five-Year Performance Management Plan (or any performance expectations outlined in the

contract), and limited compliance experience.

Oversight Levels:

Standard Oversight includes monthly invoice review, quarterly program/financial reporting, annual on-site monitoring, and ongoing review of CMIS/HMIS data.

Enhanced Oversight applies to high-risk sub-recipients and may include more frequent reviews, corrective action plans, and required technical assistance.

Compliance Expectation: Sub-recipients must submit accurate and timely reports, cooperate fully with CHHS staff, and maintain internal controls.

III. Monitoring Plan

Policy

CHHS requires continuous monitoring of all sub-recipients throughout the contract year. Monitoring is not a one-time event but an ongoing process including communication, desk reviews, fiscal oversight, and scheduled site visits.

Procedure

The Monitoring Plan follows this schedule:

1. **Contract Execution**. Conduct new Risk Assessment and review all documents before execution, schedule and provide *required* TA to new projects or agencies who are at High Risk.
2. **Monthly**. Review cost reimbursement invoices, check in with HMIS Team to ensure MDQR compliance.
3. **Quarterly**. Review program income, match, and spend-down, performance with Five-Year or other performance expectations. Work with HMIS to ensure QPR's compliance.
4. **Annually**. Conduct on-site monitoring, review APR's,
5. **Ongoing.** Communication, TA, HMIS, data checks, ensure/track attendance at Sub Committees and any other relevant community meetings required by contract, any other additional reviews as determined.

IV. On-Site Monitoring

Policy

On-site monitoring occurs at least once every year. Monitoring may occur more often if risks or concerns are identified. CHHS will apply a standard of reviewing either up to 10 client files or no more than 10% of all client files. On-Site Monitoring's must take place in the Fall of each year, but no less than 4-6 (four to six) months after the contract start date. Staff shall consider contracts that were executed *after* the start date of the contract to align with this Policy. For example, there are times where a contract start time may be July 1 but due to unforeseen circumstances, the ***actual implementation*** of the services may not occur until September 1.

Procedure

1. **Pre-Monitoring**. All pre-monitor Scheduling (5 weeks prior), coordination with Fiscal/HMIS staff, notification letters, participant file/unit selection, and preparation of monitoring worksheets.

2. **On-Site Visit**. Entrance conference, participant file reviews (if needed), review of unit inspections, compliance checks, and staff/participant interviews.

3. **Exit Conference with Agency**. Preliminary results, clarification of any issues, and general overview of what's next.

4. **Post-Monitoring**. Any follow-up requests within 30-days of Exit Conference must be sent to the agency, via email—typically, this would include any missing documentation that would otherwise lead to a Concern or Finding. This allows the agency to submit any clarifying documentation that could clear up confusion and avoid a finding or concern. **Final Monitoring Letter** must be issued within 60–90 days after on-site monitoring.

- Monitoring Letter Contents
  - Clear statement of deficiencies and linking back to the controlling regulation and a timeline associated with compliance.

  - Finding, Concerns and Recommendations

Finding: A statement of fact based on evidence, data, or observation.
Example: Rapid Rehousing Project's require HHS or HQS inspection documentation in the client file. Agency's client file does not contain inspection paperwork. Here, staff would cite the regulatory language (HUD CFR or CHG) that requires inspections.

Proposed CHHS Staff Corrective Action: Agency must show CHHS that they have adopted an internal policy and procedure as it relates to the inspection of a unit prior to any subsidy being paid on behalf of the household, where the inspection must be filed (here, client file), and where to access the most updated inspection documentation. Agency must submit this policy and procedure, along with a copy of an inspection template.

Concern: An issue, risk, or potential problem identified that could negatively impact compliance, performance, finances, or operations.
Example: High turnover is found to be the reason for inconsistent data entry in HMIS. This would be a concern which could eventually lead to a Finding due to operational deficiencies.

Proposed CHHS Staff Corrective Action: Require agency to conduct an internal audit of their current pay scale, identify any leadership weaknesses and opportunities for training as it concerns employee retention.

Recommendation: A suggested course of action to address any issues that could lead to a finding or concern; or, sometimes used interchangeably with a Corrective Action.
Example: Policies and Procedures are not in one centralized location and not signed by each employee. This may lead to confusing courses of action done by an employee in their job.
Proposed CHHS Staff Recommendation: Management should work on collating the various policies/procedures in one easy to read employee Handbook.

Whether you are issuing a finding, concern or recommendation, incorporating a timeline associated with its completion is key. Staff should also place a tickler on their calendar to ensure follow-up.

V. Remote Monitoring

Policy

Remote monitoring supplements on-site visits and includes desk reviews, and technical assistance. It ensures accountability between site visits. CHHS will apply a standard of reviewing either up to 10 client files or no more than 10% of all client files.

Procedure

1. Desk Reviews: Review invoices, HMIS reports, spend-down, HMIS data quality, client files, and timeliness.

2. Monitoring Assessment: Here, you would want to check whether the agency complied with the last on-site monitoring letter. If there were recommendations, concerns or findings, this would be another opportunity to follow-up and see how the agency is coming along.

3. Technical Assistance: If TA was a requirement at the start of the contract or required based on the last Monitoring, this would be the time to determine whether it is still needed or if any tweaks need to be made. All TA must be documented and stored.

Fraud/Waste – report immediately to Program Manager or CHHS Director.

VII. Non-Compliance and De-Obligation of Funds

Policy
The City may take corrective action when sub-recipients fail to comply with requirements. Actions escalate from Technical Assistance to corrective action plans, to de-obligation of funds if unresolved.

Procedure
1. Identifying Non-Compliance: Via monitoring, invoices, HMIS data, audits, or inconsistent communication.
2. Corrective Measures: May include revised schedules, reprogramming funds, suspension of disbursement.
3. Escalation:
    Step 1: Technical Assistance
    Step 2: CAP
    Step 3: De-obligate funds

VIII. Sub-Recipient Responsibilities

Policy

Sub-Recipients must comply with Performance Management Plan, contract requirements, HUD and CHG regulations (or any local requirements). Communication is key between CHHS Staff and agencies.

Procedure

1. Compliance: Follow all provisions as outlined in the contracts between the City of Spokane and the Agency. Maintain compliance with all HUD, state, and local policies and procedures.
2. Communication: Keep regular contact with CHHS and notify of any issues or questions regarding contract compliance.
3. Disclosure: Report non-compliance or suspected fraud immediately.
4. Technical Assistance: Seek TA *proactively*.
5. Responsiveness: Provide requested information promptly and within deadlines given.
6. Timeliness: Submit invoices, reports and data on time and inform CHHS proactively, if they will be late.
7. Fiscal Accountability: Safeguard public funds, document costs, track match. Identify other sources of flexible funding and donations before seeking reimbursement through federal, state or local funding.
8. Performance: Meet or exceed outcomes listed in the Performance Management Plan.

IX. Appendices – Tools and Templates

Appendix A – On-Site Monitoring Checklist
→ Pre-Monitoring:
☐ 5 weeks prior: Coordinate with Fiscal/HMIS/County Staff
☐ 4 weeks prior: Schedule with sub-recipient
☐ 3 weeks prior: Notification letter
☐ 2 weeks prior: Obtain HMIS #'s and ensure consistency when more than one individual is in the same household.
☐ 1 week prior: Confirm selected files/units with sub-recipient.

On-Site:

☐ Entrance conference

☐ File review

☐ Unit inspections

☐ Compliance checks

☐ Exit conference

Post-Monitoring:

☐ Follow-up within 30 days

☐ Monitoring letter within 60–90 days

☐ Corrective Action Plan and any deadlines are followed up on by CHHS Staff.

Appendix B – Notification Letter Template

Dear [Recipient Name],

CHHS will conduct an on-site monitoring visit of your program.

Project Name: _____

Contract Number: _____

Operating Period: _____

Scheduled Date(s): _____

Please ensure participant files, financial documentation, policies, and units are available for review.

Sincerely,

Program Professional, CHHS

Appendix C – Entrance/Exit Conference Templates

Entrance Conference Agenda:

- Introductions
- Scope and objectives
- Review of schedule/logistics
- Documentation required

- Sub-recipient questions

Exit Conference Summary:
- Summary of activities
- Preliminary findings and recommendations
- Recognition of strengths
- Next steps (Monitoring Letter, CAP if needed)

Appendix D – Monitoring Worksheet

Review Areas:

1. Administrative: Contract, policies, conflict of interest disclosures

2. Participant Eligibility: Intake documentation, homeless verification (can be HMIS verified if in shelter), income verification, ROI's, HMIS Consent, photo ID, SS card, appeal process.

3. Program Operations: Services delivered, case notes, terminations

4. Financial Management: Invoices, match/PI, internal controls

5. Housing Standards: Housing Quality Standard (HQS)/Housing Habitability Standard (HHS)

6. Data Quality: HMIS timeliness and accuracy

7. Compliance & Performance: Performance measures met, prior issues resolved (if any).