

Financial Section

LA BOSCOC Monitoring Tool

Released October 9, 2018

# Introduction

On an annual basis, the Louisiana Housing Corporation (LHC), on behalf of the Louisiana Balance of State Continuum of Care (LA BOSCOC), monitors each project in its geography that receives Continuum of Care (CoC) Program funds. Monitoring is a collaborative process between each project and the LA BOSCOC; it is intended to help projects:

* Identify areas for improvement in its project implementation, accounting, and grant management;
* Ensure they are correctly implementing all relevant federal regulations and LA BOSCOC policies;
* Understand their outcomes at the participant and project levels as reported in the LA BOSCOC's Homeless Management Information System (HMIS);
* Request and receive specific, hands-on technical assistance from LA BOSCOC staff.

The LA BOSCOC Monitoring Tool is a significant part of the monitoring process; it requests and collects, in a single place, most of the information the LA BOSCOC needs to complete the monitoring process.

# Financial Section

The Financial Section of the LA BOSCOC Monitoring tool addresses the following areas:

* Agency financial policies and procedures;
* Project financial policies and procedures;
* Project expenses, including both program funds and match.

# Instructions

**Complete ALL pages following this one and submit them to the LA BOSCOC along with all required supplemental documentation.**

The timeframe for completing and submitting this section of the LA BOSCOC Monitoring Tool will be specified in the monitoring notice that accompanies the LA BOSCOC Monitoring Tool.

# Organization Information

|  |  |
| --- | --- |
| Organization Name |  |
| Organization Address |  |

|  |  |
| --- | --- |
| Person Completing This Form (Name and Position) |  |
| Contact Phone |  |
| Contact Email |  |

|  |  |
| --- | --- |
| Funding Year |  |
| Project(s) Being Monitored: |  |

By signing below, I hereby attest that all information contained in this section of the LA BOSCOC Monitoring is complete and accurate. Please note that submitting incomplete or inaccurate information could lead to negative consequences for the project(s) being monitored.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Print Name and Title

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date

# Document Checklist

Submit this Document Checklist and the documents listed along with your completed Monitoring Tool. Make sure you check off all documents submitted; if you do not submit a document listed on this Document Checklist, leave its checkbox blank.

Submitted documents MUST be clearly labeled with the Question Number on their front page. If you submit a document containing responses to multiple questions (e.g. your Policies and Procedures Manual), provide a cover sheet for that document with page numbers for each question’s answer.

When submitting documents that apply to only some of the projects being monitored, please clearly mark which project(s) each document applies to. LA BOSCOC staff will assume documents not marked for specific projects apply to all projects being monitored.

|  |  |  |  |
| --- | --- | --- | --- |
| Question  | Document | Notes | Submitted? |
| 1 | Financial Policies and Procedures Manual |  |[ ]
| 2 | Chart of Accounts |  |[ ]
| 4 | Personally Identifiable Information Policy |  |[ ]
| 5 | Organization Chart |  |[ ]
| 6 | Segregation of Responsibilities Policy | May be part of the Financial Policies and Procedures Manual |[ ]
| 7 | Audit Summary or Audit Letter |  |[ ]
| 7 | Documentation of Audit Actions Taken by Recipient *(if applicable)* |  |[ ]
| 9 | Accounting Record(s) | Should include project budget(s) |[ ]
| 10 | LOCCS Print-Out |  |[ ]
| 11 | Contract Amendments *(if applicable)* |  |[ ]
| 12 | Financial Record Retention Policy | May be part of the Financial Policies and Procedures Manual |[ ]
| 13 | Project Record Retention Policy |  |[ ]
| 14 | Program Income Policy *(if applicable)* | May be part of the Financial Policies and Procedures Manual |[ ]
| 15 | Subrecipient Payment Policy *(if applicable)* | May be part of the Financial Policies and Procedures Manual |[ ]
| 17 | Advance Funds Request Policy *(if applicable)* | May be part of the Financial Policies and Procedures Manual |[ ]
| 18 | Advance Funds Holding Documentation *(if applicable)* |  |[ ]
| 19 | Advance Funds Insurance Policy *(if applicable)* |  |[ ]
| 22 | Match Log(s) |  |[ ]
| 23 | In-Kind Match Documentation *(if applicable)* |  |[ ]
| 24 | Program Fund Transactions |  |[ ]
| 25 | Match Transactions |  |[ ]

# Agency Financial Policies and Procedures

These questions will often be completed by a finance manager/director or compliance officer.

## General

| Question  | #1 |
| --- | --- |
| Question Name | Financial Policies and Procedures |
| Description | Does the recipient have fiscal controls and accounting procedures in place that ensure the proper disbursal of, and accounting for, grant funds to ensure that all financial transactions are conducted and records maintained in accordance with generally accepted accounting principles? |
| Citation | 24 CFR 578.23(c)(5) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No |
| Required Document(s) | Financial Policies and Procedures Manual |

| Question  | #2 |
| --- | --- |
| Question Name | Chart of Accounts |
| Description | Does the recipient's Chart of Accounts meet both of the following criteria?* Identifies HUD programs and awards received and expended by specifying, as applicable, the Catalog of Federal Domestic Assistance (CFDA) title and number, HUD award identification number and year, HUD's agency name (as the awarding agency), and the name of any pass-through entities.
* Demonstrates that each contract awarded by HUD is accounted for separately from all other HUD contracts and from all other funding sources.
 |
| Citation | 2 CFR 200.302(b)(1) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No |
| Required Document(s) | Chart of Accounts |

## Internal Controls

| Question  | #3 |
| --- | --- |
| Question Name | Self-Assessment of Internal Controls |
| Description | Has the recipient performed a self-assessment of its internal control system in the last year? |
| Citation | 2 CFR 200.303(a) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No |

| Question  | #4 |
| --- | --- |
| Question Name | Personally Identifiable Information |
| Description | Does the recipient take reasonable measures to safeguard protected personally identifiable information (PII) and other information that HUD or a pass-through entity designates as sensitive, or that the recipient considers sensitive? |
| Citation | 2 CFR 200.303(e) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No |
| Required Document(s) | Personally Identifiable Information Policy |

| Question  | #5 |
| --- | --- |
| Question Name | Organization Chart |
| Description | Does the recipient have an organization chart that sets forth actual lines of responsibility for HUD awards? |
| Citation | 2 CFR 200.303 |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No |
| Required Document(s) | Organization Chart |

| Question  | #6 |
| --- | --- |
| Question Name | Segregation of Responsibilities |
| Description | Are duties and responsibilities segregated to the extent practicable such that no one person has complete authority over any given financial transaction? |
| Citation | 2 CFR 200.303 |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No |
| Required Document(s) | Segregation of Responsibilities Policy |

## Audit Standards

| Question  | #7 |
| --- | --- |
| Question Name | Audit Results |
| Description | Is there documentation that an audit has been conducted and that the recipient took appropriate follow-up actions as necessary? |
| Citation | 24 CFR 578.99(g); 24 CFR 578.103(a)(16); 2 CFR 200.511(b); 2 CFR 200.511(c) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No[ ]  Recipient did not receive more than $750,000 cumulatively in federal funds in the last year |
| Required Document(s) | Audit Summary or Audit Letter, plus documentation of recipient responses to any identified issues |

| Question  | #8 |
| --- | --- |
| Question Name | Small Businesses, Minority-Owned Firms, and Women's Business Enterprises |
| Description | Did the recipient make affirmative efforts to utilize small businesses, minority-owned firms, and women's business enterprises in procuring audit services? |
| Citation | 2 CFR 509(a) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No[ ]  Recipient did not receive more than $750,000 cumulatively in federal funds in the last year |
| Required Document(s) | Documentation of affirmative efforts *(this will often be a short (max. 2000 characters) narrative)* |

# Project Financial Policies and Procedures

These questions will often be completed by a finance manager/director or compliance officer.

## General

| Question  | #9 |
| --- | --- |
| Question Name | Accounting Records |
| Description | Does the recipient have accounting records (e.g. project budgets maintained over time) containing the following elements for each of the project(s) being monitored?* Information on HUD grant awards, authorizations, obligations, unobligated balances, assets, expenditures, program income, and interest.
* Adequate information for comparison of expenditures with budget amounts.
* Encumbrance/obligation information for when contracts are executed, purchase orders issued, etc.
* Expenditures tracked according to the approved budget and budget line items in the project application submitted to HUD for each of the project(s) being monitored.
 |
| Citation | 2 CFR 200.302(b)(3), 2 CFR 200.302(b)(5) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No |
| Required Document(s) | Accounting Records |

| Question  | #10 |
| --- | --- |
| Question Name | Quarterly Funding Draws |
| Description | Have all project(s) being monitored drawn funds at least quarterly from LOCCS since project activities began? |
| Citation | 24 CFR 578.85(c)(3); 24 CFR 578.103(a) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No |
| Document(s) Required | LOCCS print-out |

| Question  | #11 |
| --- | --- |
| Question Name | Contract Changes |
| Description | For any of the project(s) being monitored: were any changes made to the project's approved budget, scope, or objectives? |
| Citation | 2 CFR 200.308(c)(1) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No |
| Document(s) Required | IF APPLICABLE: Contract Amendment(s) or other documentation of changes |

| Question  | #12 |
| --- | --- |
| Question Name | Record Retention |
| Description | For all of the project(s) being monitored: did the recipient comply with the record retention requirements of 2 CFR 200.333, 2 CFR 200.336, and CoC Program record retention requirements? |
| Citation | 2 CFR 200.333, 2 CFR 200.336, 24 CFR 578 |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No |
| Document(s) Required | Financial Record Retention Policy and Project Record Retention Policy |

## Program Income

| Question  | #13 |
| --- | --- |
| Question Name | Program Income Expenditures |
| Description | If any of the project(s) being monitored generated any program income: was program income retained by project, and was it spent on eligible costs? |
| Citation | 24 CFR 578.97(b), 24 CFR 578.103(a) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No[ ]  None of the project(s) being monitored generated program income |
| Required Document(s) | IF APPLICABLE: financial reports demonstrating program income was retained by project and spent on eligible costs |

| Question  | #14 |
| --- | --- |
| Question Name | Program Income Primacy |
| Description | If any of the project(s) being monitored generated program income: does the recipient ensure those project(s) spend program income before other program funds? |
| Citation | 2 CFR 200.305(b)(5) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No[ ]  None of the project(s) being monitored generate program income |
| Required Document(s) | IF APPLICABLE: Program Income Policy |

| Question  | #15 |
| --- | --- |
| Question Name | Subrecipient Program Income |
| Description | If any of the project(s) being monitored have subrecipients that generate program income: does the recipient have mechanisms for meeting the following criteria?* Recipient tracks subrecipient program income.
* If the subrecipient retains program income, the recipient has a system for reporting that income in a timely and accurate manner.
* After subrecipient contract(s) expire, the recipient has a system for ensuring program income and outstanding loans/accounts receivable are transferred back to the recipient in a timely manner.
 |
| Citation | 2 CFR 200.302(b)(2)-(4) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No[ ]  None of the project(s) being monitored have subrecipients that generate program income |

## Funding Request Timing

| Question  | #16 |
| --- | --- |
| Question Name | Subrecipient Payment Timeliness |
| Description | Does the recipient have procedures to minimize the time between receiving funds from HUD and disbursing them to subrecipients under the project(s) being monitored? |
| Citation | 2 CFR 2003.05(b) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No[ ]  None of the project(s) being monitored have subrecipients |
| Required Document(s) | IF APPLICABLE: Subrecipient Payment Policy |

| Question  | #17 |
| --- | --- |
| Question Name | Advance Funds |
| Description | If the recipient requests funds in advance of spending them for the project(s) beingmonitored, does it meet both of the following criteria?* Recipient minimizes the time between the transfer of funds from HUD and their disbursement for payment of eligible costs.
* Advance payments are limited to the minimum amounts needed and timed to be in accordance with the recipient's actual, immediate cash requirements for implementing the project.
 |
| Citation | 2 CFR 2003.05(b)(1) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No[ ]  None of the project(s) being monitored request funds in advance |
| Required Document(s) | IF APPLICABLE: Advance Funds Request Policy |

| Question  | #18 |
| --- | --- |
| Question Name | Advance Funds Holding |
| Description | If the recipient held received advanced funds and held advanced funds in excess of three business days: did you provide sufficient justification? |
| Citation | 2 CFR 2003.05(b)(1) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No[ ]  None of the project(s) being monitored requested funds in advance |
| Required Document(s) | IF APPLICABLE: documentation justifying the recipient holding advanced funds in excess of three business days |

| Question  | #19 |
| --- | --- |
| Question Name | Advance Funds Insurance |
| Description | If the recipient requests advanced funds for any of the project(s) being monitored: are advance funds deposited and maintained in insured accounts whenever possible? |
| Citation | 2 CFR 200.305(b)(7)(iii) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No[ ]  None of the project(s) being monitored requested funds in advance |
| Required Document(s) | IF APPLICABLE: Advance Funds Insurance Policy |

| Question  | #20 |
| --- | --- |
| Question Name | Advance Funds Interest |
| Description | If the recipient requests advanced funds for any of the project(s) being monitored: does it meet one of the following criteria?* Advance funds are deposited in an interest-bearing account.
* Recipient receives less than $120,000 in federal funds per year.
* The best reasonably available interest-bearing account would not be expected to earn interest in excess of $500 per year on federal cash balances.
* The depository would require an average or minimum balance so high that it would not be feasible within the expected federal and non-federal cash resources
 |
| Citation | 2 CFR 200.305(b)(8) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No[ ]  None of the project(s) being monitored requested funds in advanceIf yes, please indicate which of the above criteria the relevant project(s) meet: |

| Question  | #21 |
| --- | --- |
| Question Name | Advance Funds Interest Remittance |
| Description | If the recipient requests advanced funds for any of the project(s) being monitored and deposits those funds into an interest-bearing account: have provisions been made for remitting interest income in excess of $500 annually to the Department of Health and Human Services Payment Management System (PMS) through an electronic medium using either the Automated Clearing House (ACH) network or a Fedwire Funds Service payment? |
| Citation | 2 CFR 200.305(b)(9) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No[ ]  None of the project(s) being monitored requested funds in advance |

## Match

| Question  | #22 |
| --- | --- |
| Question Name | Match Amount |
| Description | Do all project(s) being monitored meet the following criteria:* Project provided match contributions equal to at least 25% of CoC Program funds expended, less funds expended under the Leasing budget line.
* Match came from eligible sources.
* Match was spent on eligible CoC Program costs.
 |
| Citation | 42 USC 11386d, Section 430; 24 CFR 578.73(a), 24 CFR 578.103(a)(10), 24 CFR 578.103(a)(11) |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No |
| Required Document(s) | Match Log(s) (must demonstrate date, source, and amount of all match) |

| Question  | #23 |
| --- | --- |
| Question Name | In-Kind Match |
| Description | If any of the project(s) being monitored recognized in-kind match: do records confirm the value of each in-kind contribution was calculated correctly? |
| Citation | 24 CFR 578.73(c), 24 CFR 578.103(a)(10), 2 CFR 200.306 |
| Requirement(s) | Check the following box with your answer:[ ]  Yes[ ]  No[ ]  None of the project(s) being monitored recognized in-kind match |
| Required Document(s) | IF APPLICABLE: In-Kind Match Documentation |

# Project Expenses

These questions will often be completed by a program manager, finance manager/director, or compliance officer.

| Question  | #24 |
| --- | --- |
| Question Name | Program Fund Transactions |
| Description | Provide one (1) full calendar month of backup documents for costs charged to this project (program funds, not match). The project may choose which month but may not choose the first or last month of the contract period. Transactions should be submitted with a cover sheet that provides the following information:1. Total amount requested by the enclosed transactions;
2. Amounts requested under each project budget line (e.g. Supportive Services, Administration);
3. A list of all transactions enclosed;
4. For each transaction:
	1. Vendor name;
	2. Date of transaction;
	3. Project budget line charged;
	4. Amount charged.

In general, each transaction should include two backup documents:1. A document demonstrating that the project was charged the amount requested (e.g. an invoice, a receipt, or for employee costs, a timesheet demonstrating that employee time was allocated to the CoC Program project grant);
2. A document demonstrating that the project paid the amount charged (e.g. any kind of payable or pay stub, or for employee costs, payroll details including the employee's wage and benefit amounts).

The LA BOSCOC recommends that if you include transactions that are not charged exclusively to the CoC Program project's grant, you indicate on the transaction's backup document how much was charged to the grant and how that figure was derived.  |
| Citation | 24 CFR 578.59(a), 24 CFR 578.99(e), 24 CFR 578.37, 24 CFR 578.97(b), 24 CFR 578.103(a) |
| Required Document(s) | One month of transactions; see Description for details |
| Additional Requirement(s) | Transactions will be reviewed to ensure they meet several requirements, including:* Are all expenses eligible under the CoC Program?
* Do all expenses tie back to the project application?
* Is it clear how much of each expense is charged to the project grant?
* Do all employee costs have adequate backup documentation, including timesheets demonstrating that employee hours were allocated to the project grant?
* Were any payments made directly to participants excepting reasonable stipends for program participants in employment assistance and job training programs and excepting utility allowances if that is the project's policy for negative housing assistance payment situations?
* Is it clear that the project's recipient has effective control over and accountability for all grant funds, property, and other assets, and that those assets are adequately safeguarded?
 |

| Question  | #25 |
| --- | --- |
| Question Name | Match Transactions |
| Description | Provide one (1) full calendar month of backup documents for matching funds provided to the project. The project may choose which month but must ensure that month includes matching funds equal to at least 8% of total match being provided. Transactions should be submitted with a cover sheet that provides the following information:1. Total amount requested by the enclosed transactions;
2. Amounts requested under each project budget line (e.g. Supportive Services, Administration);
3. A list of all transactions enclosed;
4. For each transaction:
	1. Vendor name;
	2. Date of transaction;
	3. Project budget line charged;
	4. Amount charged.

In general, each transaction should include two backup documents:1. A document demonstrating that the project was charged the amount requested (e.g. an invoice, a receipt, or for employee costs, a timesheet demonstrating that employee time was allocated to the CoC Program project grant);
2. A document demonstrating that the project paid the amount charged (e.g. any kind of payable or pay stub, or for employee costs, payroll details including the employee's wage and benefit amounts).

The LA BOSCOC recommends that if you include transactions that are not charged exclusively to the CoC Program project's grant, you indicate on the transaction's backup document how much was charged to the grant and how that figure was derived.  |
| Citation |  |
| Required Document(s) | One month of match; see Description for details |
| Additional Requirement(s) | Transactions will be reviewed to ensure they meet several requirements, including:* Are all expenses eligible under the CoC Program?
* Do all expenses tie back to the project application?
* Is it clear how much of each expense is charged to the project grant?
* Do all employee costs have adequate backup documentation, including timesheets demonstrating that employee hours were allocated to the project grant?
* Were any payments made directly to participants excepting reasonable stipends for program participants in employment assistance and job training programs and excepting utility allowances if that is the project's policy for negative housing assistance payment situations?
* Is it clear that the project's recipient has effective control over and accountability for all grant funds, property, and other assets, and that those assets are adequately safeguarded?
 |