



## Final Transcript

**HUD-US DEPT OF HOUSING & URBAN DEVELOPMENT: Internal Control Requirements under the Uniform Guidance**

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### **SPEAKERS**

Robin Booth

### **PRESENTATION**

Moderator                   Ladies and gentlemen, thank you for standing by and welcome to the Internal Control Requirements under the Uniform Guidance call. For the conference, all the participant lines will be in a listen-only mode. There will be an opportunity for your questions and those instructions will be given at that time. As a reminder, today's call is being recorded.

I'll turn the conference over to your host, Ms. Robin Booth. Please go ahead.

Robin

Good afternoon, and once again welcome to the webinar training for Internal Control Requirements under the Uniform Guidance sponsored by the Office of Housing Counseling. For those of you who may be attempting to call in, the call-in number—well you can't see it, but if you see it on the screen it's 1-866-615-1888; participant access code 424873.

As the moderator said, this is being recorded and a playback number along with the PowerPoint and the transcript will be available on HUD Exchange usually within the next four to five business days. If you look in your chat box for your webinar there's also the document, the training materials are also in the little chat box. If you click on a PDF or a PowerPoint slide you can also download it, that's if you were registered you would have received that information.

A listserv will be sent out when the archives are posted. So, you will be notified when it is posted. If you were registered you should have also received the same training materials and handouts in a prior email.

Hopefully you have those materials available to you, but if not within four to five business days after the webinar they will be available on the HUD Exchange.

As far as questions, we will definitely be having a Q&A period throughout the training. There will not be any poll questions. If you would like to ask a question live, and I will indicate through certain parts of this webinar that we'll be taking questions at this time, we ask that you press star zero and you'll be put into the queue. When I ask for the questions you'll be able to ask your question live. When they do, do that they unmute the phone, so please be cognizant that once the phones are unmuted we will hear any background noise, just for any live questions.

In addition, you can also use your chat box on your control panel and enter a question there. We do have one of our team members are prepared to respond to your questions. In addition during the points in the webinar where I ask if there is any live questions we may read your question live if it benefits the entire group.

Finally if after or subsequent to this webinar you have some additional questions you can also send them to Housing at [housing.counseling@hud.gov](mailto:housing.counseling@hud.gov) and we ask that you put the webinar topic in the subject line. That way those questions will then be distributed to the appropriate individuals for response and you will

receive a response to your question. So, three ways to ask questions live using your chat box in the webinar or emailing them to the [housing.counseling@hud.gov](mailto:housing.counseling@hud.gov) website.

Immediately following the webinar if you're registered you will receive a survey. We really appreciate if you would complete the survey and provide comments and suggestions for how we can improve or address other training topics that may assist you as it relates to Office of Housing Counseling. We utilize that information to plan future webinars as well as to make sure we're responding to the needs of the agency. So please complete that survey. We appreciate it in advance.

As far as the certificates, if you registered and logged in you will receive a thank you for attending. That is your certificate. There is no attachment to that email. So, please either print it out or save it, however you deem best way to retain that information because that will be the only certificate of training that you receive.

If you would like additional Housing Counseling Program or any kind of grant information, training events, of course HUD

Exchange is your best source for that information. Hopefully, you're registered within HUD Exchange, but please feel free to access that website. In addition if you have any other questions or comments that you like to send subsequent to this training please direct that to [housing.counseling@hud.gov](mailto:housing.counseling@hud.gov) and reference the Internal Control Requirements under the Uniform Guidance webinar in the subject line item.

Thank you for attending, and now we will switch to the actual training material.

At this point, I'm hoping that most of you have fully implemented all of the requirements under 2 CFR Part 200, which we refer to as the Uniform Guidance. So, as it relates to the internal control this will be a refresher. Hopefully, it's not the first time you're hearing about the requirements for internal control.

My name is Robin Booth. I'm the audit principal for Booth Management Consultant, as well as the owner, and our company has the quality control and technical assistance contract for the Office of Housing Counseling. We assist agencies and HUD

internally with technical assistance, trainings such as these, and also one-on-one training, financial and administrative reviews, action plans and financial analysis. So we provide a full service of financial assistance to both agencies and HUD for the Office of Housing Counseling, Comprehensive Housing Counseling Grant.

Today, what we want to do is just really define and clarify the new requirements, the existing and the new requirements for Internal Control under Uniform Guidance. I want to give you some idea of the impact it has to your particular agency, outline a general implementation plan and then direct you to some resources to help address what may be an administrative burden.

We will not be delving deep into internal controls and looking at specific areas. For those of you that are familiar with internal controls you recognize that, that can be a very in-depth process. So, this training, this one hour—an hour and a half training today is to more provide you with guidance in areas you may need to address and to point you to resources that are available to assist you.

It is important, though, I will say that anything internal controls, the tone is set at the top so this actually understanding internal controls and internal controls is incorporated in every level of your agency of the organization. It has to be bought in from your board of directors down to your senior management.

One of the reasons why it's so critical from a government perspective is because it helps to minimize what we call fraud, waste and abuse. A lot of you may be familiar with what happened in the private sector years ago with Enron and WorldCom where there was a lot of issues relative to their fraudulent—to their accounting practices that really resulted in what ultimately became almost a crash in Wall Street overtime.

So, what happened was when a private sector—they adapted a new set of requirements under the Sarbanes-Oxley law, which basically attempted to put more emphasis and focus and really disclosures and reporting requirements on private sector industries to be more transparent as it relates to internal controls and showing they have adequate internal controls. Now, probably 10 or 15 years later, the federal government has to a certain extent piggybacked on that.

There's always been requirements for internal controls within the OMBs under the old OMB structure and under the new 2 CFR structure. However, there's more emphasis on it because it's recognized that proper internal controls can really help the government minimize fraud, waste and abuse with taxpayer dollars.

So, under Section 200.303 Part 2 CFR, specifically subpart B, it defines the internal control was being a process implemented by a nonfederal entity. Notice that any grant, any entity that receives a federal award that's not a federal agency, is a nonfederal entity so it does include all the agencies that receive grants from the Office of Housing Counseling for the Comprehensive Housing Grant Program.

And one of the—some of the key areas that you want to look at or in the following areas are your operations reporting and compliance. So, these internal controls are not just in one particular area, and although they are financially driven as you can



see from your operations and compliance they're really overlapping to all areas of your agency.

Now, it's not a new requirement. As I said, this has been in the old OMB structure. It always has been a product of OMB A-133, but the issue with that is that, that was only for agencies that received or expended \$500,000 or more under the old structure for a federal dollar. Under the new structure as you know that's all increased to \$750,000, but under the old structure it you weren't subject to an OMB A-133 audit this was not a requirement. Well, they've moved it from being just an audit requirement now into being an administrative requirement under the entire 2 CFR.

So, now it doesn't matter, award amount is irrelevant. It doesn't matter if it's a \$5 grant or \$5 million grant, all organizations are expected to comply with this requirement. And it really is just encouraging nonfederal agencies that are managing grants to have better structure and internal controls. It's not meant to cause really a lot of administrative burden. The goal is not for a smaller agency to then go and expend resources they do not have trying to build internal control departments, identifying internal control

contractors and things of that nature. Because you can design an effective—effective for the management of the award’s internal control structure that will help you meet these requirements.

One of the other things that it does in this section is it really clarifies what you must do—clarifies and defines what must and what should be done. A must is not optional. That means you have to comply to that particular section of the requirement, a should is a recommendation. And I think in this particular section they did a good job of differentiating between the must and the should to alleviate the concerns about okay what else do I have to do as it relates to these federal awards.

So, what must you do? So, we’ll talk about what is a must and what is required. You do have to have an effective internal control of a federal award. Now, effective is a subjective word and is subjective, but what it’s suggesting is that you do have to have some things in place to minimize once again fraud, waste and abuse.

So, if you are a small agency and if you're the executive director and you do everything, you don't use any accounting, pretty much you do everything involved and maybe have a housing counselor, you might say to yourself well how can I have an effective internal control system? Well that's when your board of directors becomes important because they can be integrated from an approval and from a monitoring perspective in the internal controls to make it more effective. That's when if you had housing counselors they can be integrated into the process to provide you with some internal controls.

So even in a one person or a two-person shop, you have to utilize what you do have, which is the board of directors, because nonprofit agency does have or if you're SHFA or MSO you do have a governing board that can provide you with the kinds of internal control that you need to do things like have adequate segregation of duties and you have proper monitoring and communication. You can work it consistent with your size, but to minimize the financial burdens relative to having this effective system.

You must comply with federal regulations and statutes. That's a must; that's not optional. And this is for those if you want this federal award. You must evaluate and monitor. Now evaluation and monitor can be based on your size of your organization, the frequency of your reporting, things of that nature. That could be a matter that at your quarterly board meetings, having certain reports or information submitted to the board for them to approve and accept or maybe if you're doing all of the accounting before you make certain disbursements they have to be approved by the treasurer of your board and things of that nature.

As I have said, part of when we talk about resources we can talk about how under our contract and working with OHC we can assist you in establishing the types of internal controls and developing an effective internal control that makes sense for your agency. You have to take prompt action when incidences of noncompliance are identified. This is critical.

So, if you become aware of any incident of noncompliance, especially if it will have an impact on the overall program or the overall financial situation, you have to take immediate and prompt

action and be able to demonstrate that you've done that. And then you to take reasonable safeguards, reasonable measures to safeguard personal identification information; that's like PII. That is the big push right now from the federal government largely because of all of the hacking and all of the breaches of databases that we just—Equifax.

I think it was Equifax, so that's now—they've breached that data so that means that you have to protect Social Security numbers. Most people when you think of PI information, it's Social Security numbers, it could be things like licenses. Anything that personally identifies the person, you have to protect that information. Social Security number being the key.

So, you have to be careful. Things as simple as how are you maintaining your files? Who has access to your files? Are you sending personal identification information through emails? And if so, are they encrypted or is it password protected or is there some protection that sensitive information can't be easily accessed by the wrong party? Understand that that's not going to change.

That personal identifiable informational PII is very—is now the hot topic or a very focal issue within the federal government.

Now, this is what you should. This is a recommendation, remember, should be are recommendations. You should be in compliance for internal control, which is the Green Book. Now the Green Book is actually based on and developed from this internal control integrated framework, which was what the private sector did. That's that Sarbanes-Oxley that I mentioned at the beginning of this webinar where the private sector came out with this whole internal control framework and that framework, which is often times referred to as Sarbanes–Oxley, because they were the legislators that passed that bill.

It all was issued by this committee of sponsoring organizations of the Treadway Commission. Don't ask me why it's the Treadway Commission; that's what the name of it was. So, you'll often hear COSO internal control; that's what COSO stands for. It's the Committee of Sponsoring Organization, when the private sector spearheaded working along with legislation that Sarbanes–Oxley that was the whole internal control framework. So, then the

government using that as a framework created its own Green Book, which have standards for internal controls that largely in part nearer what the private sector did under the COSO internal control.

So, it's a recommendation; it is not a must. That's because to be of full compliance with that Green Book and COSO you really have to have a robust internal control system—internal control structure generally that can be costly because in order to meet all of the standards and all of the requirements under those structures you have to have a lot of things in place. There has to be a lot of checks and balances. There has to be—generally, there's a lot of segregation of duties and the approval process. So, that's why it's a should and not a must.

What they do want you to do, though, is they want you to look to these documents at time as a guide on what I should have as a minimum and that's where you have to balance costs. You have to do a cost-benefit analysis to balance the cost of trying to implement something as rigorous as the Green Book standard for the COSO standards to the benefit especially if federal awards are

not a large part of the support and revenue you receive to run your organization. So, as I said that's where the kinds of systems that could be made available to you through our contract with OHC can help you develop a plan that makes sense for your organization.

If you look up anything around internal control, this is the integrated framework that once again was initially developed by COSO and was adapted and incorporated into the government's Green Book. When you look at the operations report and when you look at the queue then you read across the top, they're the main functional areas: operations, reporting and compliance.

Within each of these areas you have to determine your control environment, your risk assessment, your control activities, your information and monitoring activity, and that's within each area.

So, operations, you have to look at your control environment.

Your control environment is at the entity level; that's the entire organization. Your risk assessment, in each area you have to do a risk assessment. What's our major risk associated with operations? What are our major risks associated with reporting? What are our major risks associated with compliance? Same thing with control



activities, and these are activities that you do to minimize your risk.

So, you identify what your risks area and then these are the activities you put in place to minimize those risks and to reduce those risks as much as you can to zero. Once again you would have control activities in operations, control activities in reporting, control activities in compliance and that's how this queue works.

When you looked at, and I guess it depends on if that's your left and your right, but when you look down the side of the queue it's explaining that at each level, each of the various levels—if you have this many levels on your organization. Your organization may not have divisions or separate operating or separate functions. That's why once again your internal control has to be designed based on your organization. There's no set internal control environment. There's no set internal control framework. That has to be designed based on your organization.

What are your operations? What are your risks? What are your in compliance? What are your compliance areas of the environment?

What monitoring activities make sense for your compliance environment? Once again that's why it has to be designed specific to your agency and organization. But that's the overall framework, from which all of this is derived.

Why is this important? I've pulled up the examples of what happened in probably one of the biggest cases—some of the largest cases in US history and it's really to protect the public, is to protect the use of federal government dollars, to protect the taxpayers and the public, to promote things like deficiency. We want to know your compliance of laws, but most importantly it seeks to eliminate, but at least minimize or potentially reduce waste, fraud and abuse.

Other things about internal controls, which from a management level should be something that you should support because you establish and maintain control from your electronic systems to your manual processes. There's no completely effective control environment. Just like there's no perfect financial statement, there's no perfect control environment. You're just trying to put in place what you can to once again meet those control objectives

such as to eliminate or minimize fraud, waste and abuse, and you have to consider cost versus expected benefits.

That's why this requirement is written the way that it is as it relates to what you must have. So you must demonstrate that you're trying to put together effective internal control that is said at the top management is aware of it and we put into place what we believe to be effective. But it doesn't say that you have to comply with standards like Green Book or COSO. So, it does give you some flexibility.

Under OHC what we would look at in the financial administrative review, if we were looking at you doing an internal control assessment, what has always been done, this is not new, is that we always look at your segregation of duty to specific process areas like payroll, cash receipts and disbursement. That's largely in part because most of you this grant is just a small part of your overall support. So we're just concerned with those process areas that are consistent with generally how we use grant funds.

We've always reviewed your policies and procedures and your organizational structure, and we would do minimum types of controls. One of the tests of the control is if you say that you have a policy or procedure or you do certain things this way we would then, come based on what you've said, test to see if it was done that way by reviewing documents, interviewing the appropriate personnel or looking at your system to make sure if you said this is how we process timesheets okay lets track the timesheet into the system to see if that's what you do. That's where the test of control is.

Now under the new requirements, in addition to doing what we've always done as far as procedures—and these are in the financial and administrative reviews or even in an action plan where we're looking at your internal control, just to make sure we're complaint with the new, and I guess, the most enhanced version of the internal control requirement under the Uniform Guidance. We will perform everything we've always done, but we would also request and see if you have an internal control policy and procedures.

A lot of you may have been subject to single audit, so you should have some of these policies and procedures. If you do not have them then between inquiry and interview and observation we'll document what your internal controls are. So, we use surveys to do that. We'll follow-up the surveys with interviewing and inquiries with various personnel to confirm what's in that survey. Then we may do a test of control to make sure that what you've said you did, you actually do. So, the good thing about that is that if you don't have internal control policies and we do, do this process documenting your internal control, and things of that nature, you will then have internal control policies because we'll help you to document them as a part of this process.

Now OHC is always looking at ways to minimize the administrative burden to agencies especially as you're trying to implement a new federal regulation, which is always trying in the best of situations. So, one of the things that we've looked at is as opposed to going through a full internal—as a part of your financial and administrative review or determine your compliance with internal control, there are certain alternatives that we propose to OHC, we being Booth Management Consulting, that they

consider to mitigate the necessity to do any kind of real internal control additional procedures or additional assessment to see if you're in compliance.

So, if your agency gets a single audit and the OHC grant is actually on the scheduled federal award, which if you get a single audit you know the scheduled federal awards is where you list all of your federal awards and CFR numbers and the amount. And from that single audit, and OHC has listed you have no significant deficiencies or weaknesses then there would be no additional internal control related work or internal control related review or analysis. We would accept the report, your single audit report, and that compliance as being acceptable and there will be no additional procedures.

Now if you do have a single audit and you have significant deficiencies, but no material weaknesses then we would identify those as observations and we would follow-up with you on what have you done to correct those. As you all know that receive single audits you have to correct any audit findings and hopefully they wouldn't be repeat findings. So, we would actually talk to

you, your accountants, figure out what are you doing as far as correcting or if it's already been corrected we may ask you to demonstrate to us how it's been corrected, but it will be treated as an observation. It wouldn't be necessarily be a finding.

But if you have a material weakness, a material weakness is much more severe than a significant deficiency, then it would automatically be treated as a finding and it would require you to take whatever corrective action.

So, if your agency gets a single audit and you're all good, OHC is listed on the federal award schedule then everything associated with the internal control would be mitigated from that report; we would accept it. If you have some deficiencies, but they're not material weaknesses, there wouldn't be a finding. There would just be an observation and hopefully we'll be able to get an understanding of the corrective actions through inquiry. But if it is a material weakness, at that point it would be a finding and you would have to have a corrective action plan. So, hopefully everybody would be great so that there will be no additional actions required.

Now, if you can talk to your—if you're an agency and you have your own internal audits, that doesn't necessarily mean you have an internal audit group or an internal audit division or department, but let's just say internally because maybe you get a single audit or it's just the part of your own internal control environment you do internal audits. If you develop an audit plan and you do your own audit testing we would rely on what you've already done.

If you didn't identify any significant deficiency—if you had no findings of significant deficiencies then we would just accept the entire internal audit. If you have significant deficiencies, once again we treat it as an observation, but any material weaknesses we would treat as a finding. So, we would review your audit plan and look at what you tested and if it was an acceptable audit plan, you did the testing, we would rely on what you've already done. So, once again there would be no additional burden on you as it relates to internal control.

I've talked a lot about deficiencies, significant deficiencies and material weaknesses. So, I want to make sure you understand what



the difference is and these differences are actually defined under Generally Accepted Accounting Principles. They're defined in the Green Book, which is the government's internal controls document, and then COSO, which is private sector internal control document. So, this isn't always the [ph] definitions; these definitions are coming from those sources.

So, deficiency is when the design or operation does not support prevention. Pretty much we're saying, okay, it may not be the best design and that's probably going to be a lot of the assessment, especially with smaller organizations that may only have one or two people where you put some things in place and there are some controls, but of course it's not the most effective, but it does not suggest that it will increase the likelihood that you'll have fraud, waste and abuse. So, that's the deficiency. Yes, it would be noted, but that wouldn't warrant an observation or a finding, which we believe a lot of these smaller agencies would fall into that category.

Now a significant deficiency is a deficiency or multiple deficiencies that adversely affect your ability to comply with laws. So, let's say that you don't have—nobody's doing quarterly

reporting. That might be material though depending on if you missed one quarterly report or maybe your quarterly reports are inaccurate. You're not doing accumulative to date correctly, so that suggests that there was improper approval or review of that so there's not sufficient oversight and monitoring. Well, that could be a significant deficiency because that does adversely affect your ability to comply with laws and regulations because you're not compliant with your grant agreements.

Or let's say you don't have adequate segregation of duties. Using that same example as that executive director, as opposed to using her board of directors to help create some segregation or if there's a housing counselor using a housing counselor, they just say no I'm going to do everything and I don't want anybody to look at anything.

So, it may be—it could fall under significant deficiency and if it results in more than remote likelihood, meaning that this executive director has done it this way and they consistently had issues of findings, then it would elevate to a material weakness. It's one thing if the executive director does is pretty much they're

compliant. We may make recommendations, but they've been compliant with laws and that [indiscernible], significant deficiency. But in that same scenario if there's consistent problems, errors, noncompliance then it would elevate to a material weakness because the results are more than likely that the agency will not comply with laws and regulations and policies and that's the big thing. Are you compliant with laws and regulations and policies?

So, I just gave you some examples, but once again example of a deficiency, check received from funding resources are not deposited timely and are maintained in an accounting office. Well, it's a deficiency because you should apply them timely and you have to safeguard assets. So, if you didn't deposit them timely, and timely could be relative that's why, too, you have to define timely, if timely is within the next business day, or within two to three business days.

Also if it's cash it should be safeguarded. I should be locked up somewhere, in a file cabinet, not just maintained in an accounting

office. It should be maintained locked because a check of funding is an asset and it needs to be safeguarded.

An example of a significant deficiency, accountant received mail, the same person receives a mail unopened, meaning nobody opened it before. They entered it into the accounting system, they prepare the bill for payment, package for signature by the executive director. So they received it, they posted it and then they actually prepared it for signature. Now, luckily they didn't sign it because if that same person signed it we know that, that will be a material weakness. In this instance at least they had to put a package for the executive director, but on the front end, they should have had somebody else open that mail or enter that transaction.

So, an example is if the executive director is the only person involved in the process—because of course they're going to receive the mail. You say okay the mail is going to be unopened. Well they need to have somebody else, whether it's a matter of—maybe somebody else opens the mail or somebody else enters it into the system, but they have to segregate those processes because

they're doing the authorization and the actual entry into the system.

An example of a material weakness, that same executive director receives check from a source. They actually put it into the accounting system, and they're the only person that manages the accounting system. So, one person should not perform all these functions. It definitely increases the potential for fraud, waste and abuse.

They could come up with a preventive, what we call a preventive control or a detective control where they have somebody else that reviews—somebody else enters it into the accounting system and/or somebody comes on a daily or weekly basis and reviews all of the deposits from an actual check looking at the original receipt and making sure it's deposited in the bank and checking things like the receivables agent schedule to see if that was posted on there.

So, unless you're going to have somebody on the overview on monitoring that's a way that you might mitigate some of this material weakness. But, as I've said every one of these scenarios

could be worked around just by putting in more what we call detective and/or preventive control.

Now as far as how we're going to report deficiencies, whether it's in financial and administrative reviews or it's in action plans or it's in an assessment because there are some concerns about your financial ability to perform or just from your financial control environment, for OHC we would look at a deficiency is one to two internal control deficiencies and we wouldn't report it as a finding or an observation. We would just recommend technical assistance. So, if we see one or two things wrong, okay let's just get it fixed in technical assistance.

Now when we see three to four internal control deficiencies that might elevate itself to an observation, unless the deficiency is so significant that it elevates to a material deficiency. If we see five or more internal control deficiencies then at that point it's time for—it will be finding, it will be a corrective action plan. And then we would assist you in addressing whatever that issue is.

So, OHC is taking a more lenient approach to this. I can tell you under COSO and under Green Book one significant deficiency will determine that your entire internal control environment is deficient. Depending on who you're reporting to, for instance in the private sector, that could strongly impact their entire rating from Wall Street and from the various individuals they submit reports to. So it's much more critical on the private sector.

In the public sector it can just suggest that received a qualified opinion on your internal controls, which could impact your ability to get additional funding or maintain existing funding.

From an OHC perspective it just determines how much assistance you're going to need and whether it's an observation or a finding.

Now there are services available to you though and these are services that are available to you through our contract with OHC. So, there's no direct cost to you for these services; it's based on your request. You can receive training, whether it's one person or your entire staff or your entire organization, whomever you deem necessary on internal controls. If you're an intermediary or MSO

you can request that your sub-grantees receive training because they may need additional training. You may want us to do the training to your sub-grantees on this particular issue collectively as a training session, but those trainings would be much more in-depth.

We would then be looking at actual internal control plans, policies and procedures, unlike this training which is just an overview to give you an understanding of what the requirement is and what your resources are. We will also—and we're doing action plans. We are doing internal control assessment either at the request of the HUD POC, or at the grantee request maybe.

For some of you, you've never had to consider internal controls, and you just want an objective eye to come in and do an assessment of your internal controls to be proactive as opposed to being reactive or finding out through some type of review that there's a finding or an observation. We can actually come do an assessment, tell you where you are, where you need to strengthen your control and then that becomes your road map or your plan.



That can be done remotely and/or onsite. And once again these are requests you can make through your HUD POC.

Under technical assistance, we can do an internal control plan where you actually come in and write your internal control plan based on your agency, tailored to how your agency operates, how your agency reports, how your agency maintains compliance. So, it will be a tailored and customized, designed internal control plan. We can help you write your internal control policies and procedures that ultimately you can use not just for this grant, but for any other federal awards and incorporate in your single audit requirement.

If you have internal control—identified internal control deficiencies, but maybe they've been identified by a third party either through a single audit or another third-party review and examination, we can assist you in implementing a corrective action plan to address whatever those deficiencies are.

And then finally on single audit findings follow-up, some of you may have interactions with us now because we are doing single

audit follow-ups for HUD POCs, but if you're an intermediary or MSO and you have a sub-recipient that has submitted a single audit and you want us to look at their single audit to determine if you should accept it or if there is any follow-up action, that's also technical assistance available to you.

So how do you request these services? You request them through your HUD POC by email. If you're a sub-recipient you request them through your parent and they'll request them through your HUD POC. And this not a long process. Generally your requests are communicated from the HUD POC through the GTM for this particular time track within one or two business days. Generally, the approval is almost—the decision whether approval or denial, that happens almost simultaneously, but to the extent depending on what time of the day receiving all those things within one business day and generally from the GTM perspective.

Once the HUD POC makes the request, the GTM [indiscernible] contract, their primary responsibility is determining what type of service. Is it technical assistance, is it the action plan or is training? That's what happens in the approval process.

Then we complete it within a certain deliverable timeframe depending on what it is. Some things can be done in a matter of days; others may take weeks, like an internal control plan or an internal control assessment. So, whatever the assistance is that assistance has a very defined timeline that really is depending on the agency's availability and availability of the individuals that will be involved in the process.

Why as a grantee and agency would you want to [indiscernible]? It minimizes—it helps to reduce some of the financial and administrative burden of implementing these new regulations, which is of great concern to OHC. They want to do everything they can to minimize this burden to you both administratively and financially. It's a proactive approach to reduce, if not eliminate, any findings from future financial reviews or audits.

It gives you technical assistance so you can be transferred to other federal awards. So, if you currently have a lot of federal awards or your goal is to increase your federal awards, it provides you with the kind of infrastructure that makes it much more attractive and

benefits you across multiple federal awards. So, this information is transferrable to other federal awards and even assists you with state and local awards as well.

And then from an intermediary or parent perspective, it can help reduce the administrative burden because we assist you in meeting the requirements of oversight monitoring for sub-grantees. So, instead of you having all of the burden to ensure that you're properly monitoring and overseeing the sub-grantees or your sub-recipients we help to alleviate some of that burden.

At this time I didn't see any questions. I'll ask Yvonne [ph], did you we have any questions on the—yes, I didn't see any. Were there any questions in the queue?

W No, there are no questions in the queue.

Robin Okay, and for the moderator, was there any questions?

Moderator [Operator instructions]. Thank you, Ms. Booth. And there are no questions coming in.

Robin

Okay, so if there are no questions, but you decide later that you have questions, please forward your questions to [housing.counseling@hud.gov](mailto:housing.counseling@hud.gov) and in the subject line item type Internal Control Requirements under the Uniform Guidance and your questions will be directed to the appropriate individuals and you will receive a response.

If there are no other questions, thank you so much for your time today and enjoy the rest of your day.

Moderator

Ladies and gentlemen, that does conclude your conference. Thank you for your participation. You may now disconnect.