



## Final Transcript

### **HUD – US DEPT OF HOUSING AND URBAN DEVELOPMENT: Overview of Financial and Administrative Review**

April 7, 2016/2:00 p.m. EST

#### **SPEAKERS**

Delbert Strauther

#### **PRESENTATION**

Moderator Ladies and gentlemen, thank you for standing by. Welcome to the Overview of Financial and Administrative Review. At this time everyone will be in a listen-only or muted mode. Later there will be an opportunity for questions, and instructions will be given at that time. (Operator instructions.) As a reminder, the conference is being recorded.

I'll now turn the meeting over to our host, Auditor, Delbert Strauther [ph]. Please go ahead.

Delbert Good afternoon, everyone, and good morning to those of us on Pacific Time. My name is Delbert Strauther. I'm an Auditor with Booth Management Consulting, and I'll be presenting the presentation for the Overview of Financial and Administrative Review.

I would like to begin at just going over some logistics with everyone. This audio is being recorded. And along with this PowerPoint you can find the audio at [hud.gov/housingcounseling](http://hud.gov/housingcounseling). Cindy's [ph] line will be muted. There will also be discussion questions. The operator will give you instructions, star then zero, I believe, if you have a question. Several

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times throughout the presentation I'll ask the operator if there are any questions in the queue, and she'll give me instructions.

If you don't wish to ask questions or wait for pauses in the presentation, in your control panel there's a question box. We do have staff here which does answer questions, so if you wish to write a question into the question box that's on your control panel then Booth Management staff will address your questions accordingly.

Please complete the brief summary at the end of this session. HUD definitely likes to take a look at how you guys felt about the presentation and does take everything into consideration. And once again, thank you for attending. You'll receive a printout.

Now to begin the presentation, once again this is the Overview of Financial and Administrative Review. This is just our agenda for today. We'll discuss who Booth Management is. We'll discuss what an agreed upon procedure is. Then we'll take a look at the whole financial and administrative review process, beginning with the planning, then taking a look at the onsite process. Then we'll talk about the reporting. And then last of the review process, the action plan.

After we discuss the review process we'll discuss some common findings, some findings that we usually do report to HUD, some lessons that we've learned, and some frequently asked questions grantees usually have for us throughout this process from beginning to end. And at the end, of course, I'm going to open up for questions along with during the whole presentation several times.

So, who is Booth Management Consulting? We're an SBA certified minority woman-owned accounting firm founded in 1997 by Robin Booth herself. We have approximately 25 years of experience performing these types of audits. And the key members of this team who have hands-on with HUD and the reviews would be, first, Project Manager, Robin Booth, and then Alternate Project Manager, Richard Yirenkyi. And then these reviews are completed by: Wilfredo Cortes [ph], Petergay Bryan, and myself, Delbert Strauther.

So, what is an agreed upon procedure? The financial and administrative review is an agreed upon procedure, specific tests and procedures agreed to between HUD and BMC. So, there are different types of agreed upon procedures, and this one is based on compliance with the agreement that

you guys, and grantees and intermediaries have with HUD's regulations. Reports are a result of procedures. Procedures are not an audit, so we don't provide an opinion. Because this is not an audit we do not provide an opinion. We do report instances of non-compliance to HUD, but we do not provide an opinion.

There are four phases in the whole overview of financial and administrative review process. The first phase is planning. The planning usually takes place within 30 days of the review. Now, after those 30 days we come onsite for about a day or two. When we leave, the reporting process may take up to two weeks, not necessarily every time, but it may take up to two weeks. And then technical assistance usually takes place within 30 days to 60 days after we issue the report.

So, these are the steps in the planning phase. First, you guys will receive a notification on HUD notifying you that you will be contacted from us and that we are actually going to complete this agreed upon procedure.

Step 2a is when you receive the letter from us notifying you guys of the procedure and also a document request list.

Step 2b, we'll receive the document that we requested from you guys.

As we move over to Step 3 we'll start reviewing those documents in what we call a preliminary evaluation. So, while we're reviewing documents, HUD will invite you guys to participate in a training such as this one.

And then in Step 5 we'll have a call with the grantees, with you guys, and with your HUD point of contact to schedule an onsite visit to go over some logistics. We can even touch base on the whole process, once again, just to make sure everybody's on the same page, to make sure you guys understand exactly what we're looking for. And if we have any questions on the documents that we've requested and you've sent, then we'll usually ask questions on this call if we're missing certain documents and if we need a little bit of explanation on certain documents we may ask on this call.

Step 6, we'll send an onsite confirmation letter. This is just an email confirming that "I will be onsite for this day. Thank you for participating on the call." And it's just to serve as a formal letter.

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Step 7, we'll send a sample selection about a week before we come out onsite. The sample will be supporting documents for your reimbursement. And we'll address that. When we get to the onsite part, onsite phase of this review we'll discuss the sample selection and the supporting documents a little more in depth.

And then the last step of the planning process is to contact the grantees just two or three days before we come out, just to make sure you guys didn't forget we're coming out and we're confirming that we still are coming out.

Now, to address each step here. Communicate with the HUD specialist and parent. So, we'll obtain HUD documentation, so we'll obtain the document from the HUD POC, and we'll retain the document from you guys as well. And we'll take a look at, one, policies and procedures that you guys provided us with, so we'll take a look at the flow charts of the individuals who have roles and responsibilities within these grants.

And then we'll take a look at some grant documentation, so we'll take a look at some quarterly reports, SF-425, SF-424s. And 425 will be Federal Financial Report, 424s will be the budget. We'll take a look at all of those grant documentations as well. We'll prepare a grantee evaluation, and then we'll schedule a site visit.

Now, as far as the cash receipts policy of disbursements, we usually look for who has the ability to assess, who has the ability to record, and then who monitors. If you look at the first bullet, assess the ability to open a bank statement, review the invoice/billing, receive payments, and approve credit memos.

Who has the ability to record, which is the next bullet, so who records the invoices, who prepares the credit memos, posts to the general ledger. And as you go down to the last bullet, who monitors the whole process. Who performs the bank reconciliations, who reconciles account receivables to the general ledger, and who approves the budgets.

And then this same process is similar to the cash disbursement policies and procedures that we would take a look at, so, once again, who has the ability to assess, record, and who monitors. So, in the policies and procedures that we would receive for cash disbursements, this is what we would take a look for, who has the ability to open a bank statement, issue a purchase order, authorize a purchase order, and issue a check.

Who has the ability, if we go down to record, who has the ability to record accounts payable, record cash disbursements to the general ledger, record cash transfers to the general ledger. And then once again a last bulletin, who has the ability to perform these bank reconciliations, reconcile accounts payable to the general ledger, and approve the budget.

When we receive the time and attendance policies we'll take a look to see if this information is addressed in the attendance policies. So, we want to see if the grantee explains to their staff members that their timesheet needs to be signed by them and a supervisor, that they understand that the time that they put into their timesheet is based on actual work they completed, so it's an after the fact determination of hours, they understand that the staff members themselves need to complete their timesheets. And they understand that the penalties for falsifying or tampering with their timesheets and that the hours recorded need to be accurate.

We'll take a look to see if the policies and procedures address how a staff member corrects their timesheets and who approves them. And we'll take a look to make sure that PARs are addressed. PARs are Personnel Activity Reports. PARs are reports that track the activities, and mind you, we're only looking for activities pertaining to this HUD grant, so these PARs are reports that track the day to day activity of the staff members and what work they did complete.

Now, for our intermediaries and passthrough entities, SHFAs, we'll take a look at their monitoring process, so we'll look for policies and procedures pertaining to how they monitor their sub-grantees. Part of the planning process, we actually, as you can see the first bullet, sub-grantee interview, we actually interview a sample size of intermediary sub-grantees. And then we'll take a look at how the intermediary assesses the risk of sub-grantees, what factors they use to assess the risk of sub-grantees.

We will take a look at their policies and procedures of testing, how do they test it, and the next bullet you'll see how they evaluate their sub-grantees per their testing. Do they do spot audits, and what financial information do they look at?

And in the last bullet you can see confirmations. That's when we reach out to the sub-grantee and ask them to confirm the amount that they received from the current agency.

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We'll take a look at the procurement policies as well just to see the strategies and the admin requirements, and who can authorize and execute these purchases. We'll take a look at the contract requirements that you guys have down, the vendor requirements, receipt and verification of goods and services, and the payment process and approval.

During the planning phase we'll call the HUD POC and, if applicable, if we're reviewing a sub-grantee and parent, then we'll request this information from the HUD POC. We'll request the LOCC vouchers, the ELOCC vouchers, the grant agreement, Form 1044, assist in an amendment, we'll request the award letters for the XD HUD POC, if they're aware of any leveraged funds that you guys may receive. The final budget, we'll ask them if they have any concerns about the agency and if they had anything of worry in their performance review the last time they came out.

Now, about a week, and we say three to five working days, so about a week before the auditor comes out onsite we'll send out a sample selection for transactions identifying the type of supporting documents needed. So, after we review your quarterly reports and your budget to see what you guys charged to this grant and who was charged, which individuals were charged to this grant, we'll send out some supporting documents pertaining to that.

And we'll address exactly what that is when we get to the onsite portion of this presentation as well. We'll request clarification on any issues in the grantee evaluation. But that's usually not even three to five days. If we run across an issue before then we'll usually shoot out an email or give you a call asking for a little clarification on something we have a question about.

And then lastly we'll provide a list of individuals to be interviewed, so when we come onsite we will interview a staff member involved on the program side, so usually a counselor. And then we'll also interview a staff member involved with the accounting of the grants, so it's usually a staff accountant to the CFO, whomever's involved with the accounting of the grant.

Before I begin the onsite phase of this presentation, are there any questions in the queue?

Moderator

Did you want to stop and take any questions from the phone?

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Delbert Yes, ma'am.

Moderator (Operator instructions.) We have no one queuing up. Actually, there is one person queuing up. We're going to get their name. It will be just one moment.

Delbert Sure.

Moderator Thank you. If you have given your name to the operator, go ahead and press star one so that we can open up your phone line. Thank you. And we'll go to Al Miller. Please go ahead with your question.

Al Yes, a real brief question. Since the monitoring goes back for, like in our case from 2013, the housing counselor that we had on staff at that point in time is no longer with us. He was replaced about six or eight months after the contract was begun. So, when you're interviewing staff, will we have to try to get him in, or will you interview our current housing counselor?

Delbert No, we'll interview the current housing counselor. But we will ask to see supporting documents for the counselor who was in charge at the time going back.

Al Okay. That's what I thought. I just wanted the clarification.

Delbert Okay, sure.

Al Alright, thank you.

Moderator Thank you. We have no additional questions on the phone at this time.

Delbert Alright. Phase two of this process is the onsite visit. And once again, we listed the steps, and we'll go over each slide, but Step 9, conduct an entrance conference with the grantee and the HUD POCs.

Step 10, if applicable, if we're reviewing an intermediary, prepare sub-grantee confirmation list signature and confirm mailing.

Step 11, review the grantee evaluation, interview key personnel, review sample selection.

Step 12, conduct substantive testing of controls.

Step 13, discuss potential findings with the grantee.

Step 14, meet with the grantee and provide an open item list with a due date of ten days.

Step 15a, if findings will conduct an exit conference and allow up to ten days for additional information. And if no findings, then we'll just conduct an exit conference.

The entrance conference, when we arrive onsite we usually schedule an entrance conference within several hours after we arrive, and on the conference will be your HUD POC along with ours. And any individuals, we always emphasize the importance of having a program person and a financial staff member involved in the entire process. So, we definitely recommend that they be involved in the entrance conference as well.

Then we'll discuss the scope of work, we'll go over the periods of performance and the reviews that we're reviewing, along with the dollar amounts. We'll discuss the time of work, and that's when we'll discuss what time exactly can I meet with the counselor, what time exactly can I meet with the staff member, the financial staff member.

Towards the end of the entrance conference we'll discuss any findings that I've discovered in the planning process, because 90% to 95% of the review will be completed before we come onsite. So, we're basically coming onsite to wrap things up, so before we come onsite we may have findings and then we like to bring them, we will address them really before we come out, but then we will re-address those items again in the entrance conference.

And then the last item is just other matters. We'll just open the floor to any questions or any concerns that the HUD POC may have, any concerns or items that the grantee would like to address.

So, while we're onsite, if you remember, we discussed in the planning process that we were going to take a look at the flow charts, the policies and procedures, and the organizational structure of the grantee. So, while we're onsite we're going to revisit this, and we'll walk around and take a look. And for staff members involved we ask for narratives of their daily tasks and what they do, and we'll touch base again and revisit these policies and procedures just to make sure that the grantee actually does, or you guys actually do follow these policies and procedures.



And then we'll review individual's goals and responsibilities, and then we'll interview individuals, and then we'll ask them what they do and what are their goals. And in a couple slides you'll actually see some of the questions we do ask. I believe it's the next slide.

So, these are some of the questions we ask the staff members we interview. So, one, we'll ask them what is your role and responsibilities as they relate to compliance and oversight for the HUD grant? We'll ask, do you understand your agency's code of conduct? Did you receive training on your agency's compliance policies and procedures related to HUD? What other compliance and/or ethics related challenges do you face in your current role? Can you report concerns, issues, or potential violations of law without fear of retaliation? And do you receive refresher trainings on your company's code of conduct, compliance, or ethics policy?

And these aren't all the questions. We ask usually about eight to nine questions, so several more. And then if we discover something while we're doing the documentation we may ask another question regarding that issue. And then also for intermediaries we'll verify the status of the sub-grantee confirmations, we'll review at least one sub-grantee file for compliance with the documented monitoring term policy, so we'll choose one sub-grantee and take a look at the whole monitoring process for that one sub-grantee that the passthrough entity may have.

For any positive confirmation letters to sub-grantees received we'll review any discrepancies with the grantee. And then last, we'll interview a sample of sub-grantees. Now, the interview process, we've usually interviewed the majority of the sub-grantees before we come out, but if a schedule discrepancy occurs and we don't happen to schedule an interview with one or two of the sub-grantees we've chosen in the sample, then their process may drag on to when we arrive onsite.

So, after we look at your policies and procedures we'll verify these procedures for cash receipts, who opens the bank statements, who prepares these, the invoices, who receives the payments. This is everything we discussed earlier with the policies.

And then in the sample, so the sample that we send several days before we come out is regarding cash receipts, if you guys, if it pertains to you, because if you've only charged time of reimbursable staff hours this may not pertain to you. But we'll export, it depends on your budget, but the supporting documents that we'll request for cash receipts, our invoices,

date and time, payment receipt date and time, we'll check posted to the accounts receivable ledger, information included on the bank rec, and then we'll check your quarterly reports and your budget to make sure and your budgetary line items and reconcile that with the HUD information, or HUD reports.

Check disbursements as well, we'll take a look at 10 to 20 samples, and we'll take a look at the purchase order, and what is supporting the disbursement, documentation approval, appropriate accounting, and a canceled check or notation in the bank statement.

And in onsite as well, along with interviewing someone, so meeting with accounting, we may sit down with the accountant. We sit down with the accountant and take a look at the accounting system. We'll reconcile to general ledger, to the audited financials. We'll verify, if you guys have any findings in prior audits we'll take a look at those findings to see if those findings were addressed. And if not addressed, do you guys have an action plan to address the findings. We'll take a quarterly report that you guys submit to HUD and we'll reconcile that to the accounting system. We'll perform a walk-through of the accounting system to determine how costs are charged to the brand.

Now, as far as time and attendance, this is primarily what's charged mostly to these grants are of course salaries and fringe, so we'll take five employees and we'll look at their supporting documentation, we'll take a look if documentation exists that supports attendance. And then we'll also take a look at the documentation that exists that supports time allocated to the program as required by the OMB Omni Circular.

So, if you go down to the next bullet, this is what we would ask for. We would ask for the employee list. We will take a look at the HR documentation verifying the employee's hourly rate, time cards, timesheets, and leave authorizations. So, if we choose John Doe, we request supporting documentation for the month of January and that individual took vacation, then we will request the leave forms for that week.

We'll take a look at the payroll register and then also PARs. We'll take a look at the PARs for the necessary time frame. And then we'll also take a look at the quarterly reports. And we do these items onsite. So, just to go back, and I just want to emphasize that the sample selection will be sent to you guys several days before we arrive onsite. So, we try to give you at

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least a week to three days before we arrive onsite to provide us with this supporting documentation when we arrive so it doesn't need to be sent in advance. Then we'll take a look at the quarterly reports to make sure that they were submitted accurate and timely, and that HUD's records are consistent with that.

As far as cash management, on Bulletin 3 we'll take a look at funds we received in advance, we'll trace them to the general ledger. If we run across any problems we'll discuss any weaknesses that we believe may exist in the cash management system, in the accounting system. We'll select two cash transactions and perform a test of controls on them.

And then the next bulletin addresses NICRs, which is the Negotiated Indirect Cost Rate. If you do have one we'll review the cost charged compared to the approved schedule, and then we'll review a sample of five transactions just to make sure that it was allowable and allocable and reasonable.

So, for procurement contracts in excess of \$25,000 we'll take a look at the basis of the award, the vendor selection, if this vendor is eligible, and so the disbarment certification, and a justification letter for lack of competition.

Now, if you guys charge a fee for counseling then we will test program income and test for tracking fees. Program income, we just want to make sure that the dollars that were made for counseling were offset against this grant. And let me explain that, let me go into depth a little bit about that. So, if you guys received a \$10,000 grant from HUD and received \$1,000 worth of program income, then you would need to offset that \$1,000 to the \$10,000 award you had. But if your program costs more than \$10,000 to be run then you wouldn't need to do that. So, usually program income is just fine, but we will test it.

We will take a look at leveraged costs as well, so we'll reconcile the listing of leveraged costs from HUD to the general ledger, obtain supporting documentation for cash donations, non-cash donations, and funds passed through to a [indiscernible]. And then we'll also just reconcile your records with HUD records to make sure the dollar amounts are the same.

Now, after we do those items onsite we will hold an exit conference. Sometimes the exit conference, if there are any open items we'll wait up to

ten days before we hold an exit conference. We'll just do it via telephone. And during the exit conference we introduce ourselves and we'll discuss the purpose of this conference, review the scope again, and we'll discuss potential findings again, and then we'll discuss outstanding requested items. So, if we're onsite and the grantee can't provide us with certain documentation while onsite, then we'll give up to ten days.

And as you see, the next bulletin is a discussion of due dates. We'll give up to ten days for that supporting documentation, and then after that we'll hold another exit conference to discuss the matter again and finally bring it to closure. And then we'll report the audit resolution process, what's next, the reporting, how long it will take, what you guys can expect, and then we'll bring everything to closure with any questions or any comments.

Before I go to phase three of this presentation, are there any questions in the queue, operator?

Moderator We'll check. (Operator instructions.) We have no one queuing up on the phone.

Delbert Alright, thank you. And after the exit conference and the onsite review phase three is the reporting process. So, Step 16, we'll finalize the site visit report for quality and control. Step 16b, if no findings then we'll send a draft report to HUD for comments. And in 17 HUD will get back to us with additional comments. And then we'll draft a final report to them.

Now, Step 18, if findings then we'll send a draft report to HUD for comments. Once again they'll send it back and ask us to update the report. And then they will send the final report for review to HUD.

So, if no findings then we'll come back to the office and we'll have a report and submit the report to HUD. Now, if there are findings and we do need additional time after the exit conference, like I said in the previous slide, we give ten days for a grantee to submit additional information regarding a finding or regarding the lack of some type of supporting documents, we'll give up to ten additional days. We'll work with HUD to determine if findings are addressed. We'll send a draft report to HUD. We'll incorporate their comments and finalize the draft submission to the agency. And then we'll incorporate any comments and submit the final report to HUD housing counseling specialist, Andy Agency.

Now, while I'm on this slide I just wanted to make sure that I inform you guys that after we submit this report to HUD you will receive this report in hard copy through the mail from HUD in about four to six weeks after the onsite. Let me say after the exit conference, or their findings and we have some open items and we have to stretch the review another ten days, so four to six weeks after that exit conference then you'll receive a hard copy of the report.

Phase five, technical assistance. For those FA reviews where their findings, we recommend technical assistance. So, if we come out and we see that, for instance, we see that a counselor's having a hard time with the quarterly reports and we have several findings on quarterly reporting, then we'll recommend to HUD, and so we'll recommend to our HUD POC and your HUD POC that I think that we should reach back out to this agency and go over a quarterly reporting package to help them accurately submit this to you quarterly, or on time.

So, we'll give that description, we'll recommend it and HUD will approve it, they'll say okay, yes/okay, no, how long do you think it will take? And once HUD approves it we'll reach back out to you guys within, I want to say 30 days to 60 days after the review to complete the technical assistance.

And while we're speaking on that topic of technical assistance, the whole review process isn't to punish any grantee. It's more just to make sure you guys are in compliance, and if not how can we help you guys. So, that's why we will recommend technical assistance to see what we can do to help you.

So, common findings. And you'll see the word "lack" a lot. Grantees lack policies for monitoring and oversight of sub-grantees. Those are for the intermediaries of the passthrough entities. Grantees, sub-grantees used unapproved NICRs. Grantees lack supporting documentation for sub-grantees' reimbursement. Sub-grantees did not return confirmations. Grantees lack invoice verification process. Grantees use budget hourly rates instead of actual rates. Indirect costs charged included excess amounts. Grantees lack supporting documentation for reimbursement. Grantees lack supporting documentation for payroll. Grantees lack time and attendance tracking and reporting. Grantees' timesheets do not indicate HUD service hours. Grantees lacks supporting timesheets, PARs, or other records. Grantees lack the policy requiring PARs or other documents that could be used as a PAR.

And I will say PAR, the lack of Personnel Activity Reports are the most common finding indeed. I just wanted to throw that out there. That is the most common finding, that the grantee is not tracking their activity on at least a monthly basis. PARs are not prepared on a monthly basis. They don't have to be prepared on a monthly basis. They can be prepared on a weekly, bi-weekly. Just at least monthly.

Grantees file federal financial reports late, and that's only for our passthrough entities. Now, LHCAs, or Local Housing Counseling Agencies, you guys do not need to complete and submit Form SF-425. I have run into some grantees, some LHCAs completing their form, and I don't want to say you do not have to submit it. For HUD, for this Office of Housing Counseling grant you do not have to submit it. And once again, and I should have brought this up earlier, we're only concerned with the dollars spent for this grant. So, we won't be looking at any additional information. We'll only be looking at information pertaining to this grant.

Quarterly reports, I'm on Bullet 3, quarterly reports did not include staff hours. And really regarding quarterly reports, as you can see, the next bullet quarterly reports two, three, and four were not cumulative. Just take a look at reporting, which is Article 11 under the HUD grant agreement, we're going to check to make sure every item in that reporting insert is complete. Quarterly reports were filed late and in the HUD grant agreement it will notify you when your quarterly reports are due. And if you have any questions or concerns about when your report is due, reach out to your HUD POC, and just to confirm, just to make sure that you guys aren't submitting any reports late.

Grantees lack procedures to track and verify leverage. Grantees lack supporting documentation for leverage. Grantees were unable to reconcile the general ledger to the budget, the SF-424.

And then some items, this is lessons learned, what we've learned from the last year and a half of doing these reviews for HUD. We think grantees may need some more training in applying a NICR, number two, tracking expenditures, three, maintenance of adequate supporting documentation for expenses, the monitoring of sub-grantees, method to track program income, implementing policies to track time and attendance, filing financial reports on a quarterly and on time, accurate as well, and a method to track leverage funding.

And these are some frequently asked questions that we receive here at our office. How many days does a grantee have to submit the documentation requested in the notification letter? So, when we originally reach out to you guys and ask you, say we're going to come and do this review, we usually ask for the documents within 15 days. If you need an extension, just notify us and say, we need an extension. And usually you'll be in contact with the alternate program and with Richard Yirenkyi, and he'll grant you that extension.

What is the preferred method to send documentation requested in the notification letter? Email is fine. You can mail it, but email is the easiest for us. And if a file is too big then we do have a portal set up on redbooth.com, and once again, Richard Yirenkyi will, when you again are communicating with him, he will notify you of how to upload information to the portal.

Will the meeting between BMC and the individual agency's point of contact occur before or during the site visit? It will occur before the site visit, but we will be communicating with the agency's point of contact consistently, pretty frequently throughout the whole process. I usually do it just to brief the HUD POC on what's going on, whether I have no findings or findings I like to contact him to let him know everything is running smoothly while contacting him to let him know that we're trying to address certain issues, as we speak.

What will be the approximate duration of the site visit? Usually, we're there for a day or two. Some of the grants are smaller, and like I said, we begin the reviews usually weeks before we come out, so we'll have all of your documents and we'll be discussing the documents that you submitted weeks before we come out. So, when we get onsite we're pretty much just doing interviews and testing. And by the close of business that day we're usually done onsite there.

How many days does a grantee have to submit the additional documentation needed to mitigate all findings revealed during the agreed upon procedures? That's ten days. Ten days after the onsite visit. If you guys need extra time searching for some supporting documentation then we'll extend the process ten days.

If the final report findings lead to technical assistance what would be the duration of the technical assistance? So, if there's technical assistance just on policies and procedures, something small like that, then we'll be in

contact within 30 to 60 days after the review and then technical assistance of minor policies and procedures may take several hours.

Now, if you have technical assistance regarding your accounting system and quarterly reporting package, once again we'll be in contact within 30 to 60 days. But the duration of the technical assistance will be longer. It may take several sessions. Sometimes the technical assistance will occur onsite, so we'll come back to the agency and help you guys out. A lot of times we'll do it over the phone, we'll go to a meeting in Team Builder and address the technical assistance there.

Operator, are there any questions in queue?

Moderator We'll check for questions. (Operator instructions.) We have no one queuing up, so please continue.

Delbert I'm just about wrapping up. I see one question came. "How many BMC staff are in attendance for the onsite review?" It depends on the amount of the grant. For the LHCAs and the smaller grants awarded it's usually just one of us. I can almost promise you anything under \$30,000 it will be just one of us onsite for a day and just one auditor that you'll be communicating with throughout the process.

And there are no questions in the queue?

Moderator We have no questions on the phone.

Delbert Alright, well, thank you, everyone for participating in the Overview of Financial and Administrative Review. Have a good day.

Moderator Thank you. Ladies and gentlemen, this will conclude our teleconference for today. Thank you for your participation and for using AT&T Executive TeleConference Service. You may now disconnect. And presenters, you can remain on the line.