

# Supervisory Monitoring for Housing Counseling Agencies

Supervisory monitoring must include periodic reports that identify areas of deficiency including fraud, violations of housing counseling agency policies, procedures, and HUD regulations. Monitoring reports should also reveal any errors and omissions as well as unacceptable patterns or trends. The monitoring plan must detail the housing counseling agency's review procedures, record keeping procedures and outline corrective actions to be initiated immediately when discrepancies are found.

The monitoring plan should assure:

- Records of supervisory monitoring findings and actions taken are maintained.
- Periodic reports that identify deficiencies are provided to senior management
- Prompt, effective corrective measures are taken by senior management and documented when deficiencies are identified
- The housing counseling agency has a procedure to report any violation of law or regulation, any known false statement, fraud or program abuse to the HUD-Office of the Inspector General or the appropriate Federal, State or Local law enforcement agency,

In addition, the following recommended elements represent components of supervisory monitoring, Housing counseling agencies are encouraged to include the following elements in their plan

- Have an impartial third party entity conduct the monitoring reviews on the housing counseling agency's activities
- Identify the procedures for expanding the scope of the monitoring review when fraud or patterns of deficiency may exist
- Procedures to identify revisions in HUD guidelines are established, and housing counseling agency personnel are informed of the revisions as they arise
- Agency employees are held accountable for performance failures or errors.