

CoC AT A GLANCE

MONITORING

RESOURCES

CONSULT THE CoC RULE

CoC Program Interim Rule – 578.107

Sanctions – 578.23(c)(4) Required

agreements: recipients, subrecipients:

<https://www.govinfo.gov/content/pkg/CFR-2017-title24-vol3/xml/CFR-2017-title24-vol3-part578.xml#seqnum578>

RESOURCES AT A GLANCE

HUD CPD Monitoring Handbook:

Chapter 29 – Continuum of Care

(CoC) Program; Legacy programs:

Chapters 11-13 (SRO Mod Rehab, Shelter Plus Care, SHP):

https://www.hud.gov/program_offices/administration/hudclips/handbooks/cpd/6509.2

OMB Uniform Guidance for Federal

Awards – Code of Federal Regulations

(CFR) – 2 CFR 200:

<https://www.govinfo.gov/app/details/CFR-2014-title2-vol1/CFR-2014-title2-vol1-part200>

This resource is prepared by technical assistance providers and intended only to provide guidance. The contents of this document, except when based on statutory or regulatory authority or law, do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

SUMMARY

Monitoring is intended to review performance and ensure compliance with the CoC Program and related federal requirements. Monitoring occurs at multiple levels:

- Recipients and subrecipients self-monitor their projects;
- The CoC monitors recipients and subrecipients; and
- HUD monitors recipients.

CoC Program funds may be used for monitoring costs as follows:

- Project administrative funds may be used for self-monitoring as well as for recipients to monitor subrecipients; and
- Planning funds may be used for the CoC to monitor projects.

RECIPIENT MONITORING OF SUBRECIPIENTS

Recipients are required to monitor subrecipients at least annually for compliance with the CoC Program and for the terms in their subrecipient agreement(s). Recipients are responsible for ensuring that all their subrecipients spend CoC Program resources on eligible activities, serve eligible participants, and adhere to all applicable regulations and notices.

Recipient monitoring of subrecipients may occur at several levels that may include monitoring of:

- Financial: project financial records to ensure compliance with the grant agreement, match requirements, and other contractual obligations;
- Housing: housing unit inspections, leases, and other records;
- Participant: records to ensure participant eligibility and services; and
- Project performance: performance of a project to measure progress toward project and CoC Program goals.

Recipients must keep documentation of subrecipient monitoring, including any findings and required corrective actions. Recipients are not required to, but may use or adapt HUD's monitoring tool, as a way to structure their own [monitoring protocols \(see sidebar\)](#).

Recipients may impose the same types of remedial actions and sanctions on subrecipients as HUD can impose on recipients (see below and [sidebar link to CoC Program Interim Rule](#) for details).

CoC MONITORING OF RECIPIENT & SUBRECIPIENTS

The CoC is obligated to monitor projects as well, though primarily with a focus on performance. CoCs often select criteria for their review that they deem important to the annual ranking of projects for the CoC application (e.g., serving priority populations, meeting Systems Performance Measures, participating in Coordinated Entry).

HUD MONITORING OF RECIPIENTS

HUD will monitor a project to ensure that CoC Program resources are spent on eligible activities, serve eligible participants, and adhere to

all applicable regulations and notices. These requirements include the [CoC Program Interim Rule](#) and the [OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#) ([see sidebar for these links](#)).

If HUD selects a recipient and its CoC Program-funded project to be monitored, HUD will notify the recipient of the upcoming monitoring, including its scope, and will set a monitoring date in consultation with the recipient.

As part of monitoring, HUD verifies records and examines information gathered through on-site visits, audit reports, APRs, and data generated from HMIS and HUD's financial and reporting systems (e.g., e-LOCCS, e-snaps and Sage).

HUD MONITORING – CONCERNS AND FINDINGS

After monitoring, HUD will document any concerns or findings in a written report to the recipient. The Monitoring Letter may identify concerns or findings, which are as follows:

- A concern highlights a potential issue, and HUD provides the recipient with some recommended corrective action.
- A finding is a compliance issue documented in the written report by HUD that needs to be formally addressed. HUD will recommend how to correct the issue. The recipient must take corrective action within a prescribed timeline, or HUD may impose remedial actions or sanctions.

Recipients must respond to the HUD Monitoring Letter in writing by a deadline included in the letter. Recipients are encouraged to ask for help from the local HUD field office if there are any questions about how to resolve concerns or findings.

Recipients and subrecipients should carefully review the section of the CoC Program Interim Rule, 578.107 Sanctions, that covers performance reviews, remedial actions and sanctions, and the reasons funds may be deobligated ([see sidebar for link](#)).