



CITY OF EL CAJON

COMMUNITY DEVELOPMENT

Planning / Director's Office: 619.441.1741
 Building and Fire Safety: 619.441.1726
Fax: 619.441.1743

Redevelopment and Housing: 619.441.1710
Fax: 619.441.1595

June 15, 2011

Harold Brown, Chief Executive Officer
East County Transitional Living Center
1527 East Main Street
El Cajon, CA 92021

Dear Mr. Brown;

On May 17, 2011, JoAnn Carpenter, Community Development Program Consultant for the City of El Cajon, monitored the El Cajon CDBG-funded activity provided by your agency. The program provides homeless services including motel vouchers, job training, and case management services.

The period under review was from July 1, 2010 to June 30, 2011. The purpose of a monitoring visit is to determine whether the subrecipient has implemented and administered CDBG-funded activities according to applicable Federal requirements. We want to thank you for providing all the information we requested in a timely manner. This makes our review much easier and more efficient.

HUD requires that we monitor to determine if there are inconsistencies or weaknesses in your program operation and indicate these by issuing findings or concerns. A finding is defined as a program element that does not comply with a Federal statute or regulation. Findings require a response and must be resolved by implementing specific corrective actions.

A concern is either a potential finding or program weakness that should be improved to avoid future problems. Concerns bring to the attention of the recipient potential areas where changes could be beneficial to the program, and/or if not addressed could lead to findings in future program reviews.

We found no findings or concerns during our visit and would like to congratulate your staff on their efforts to operate a successful program. Monitoring is an ongoing process and you will be contacted in the future if you continue to receive CDBG allocations for additional reviews.

Sincerely,

JoAnn Carpenter
Community Development Program Consultant

Jamie Kasvikis
Senior Management Analyst

Subrecipient Monitoring Report – FY 2010/11

Program: East County Transitional Living Center (ECTLC)

Date of Monitoring: Program content, files and financial records were monitored on-site on 5/17/2011. Monitoring contact was Ivan Andujar.

Overview: The Scope of Work portion of the contract indicated they would serve 400; however, they have served 142. There was some confusion regarding unduplicated counts when they prepared the Scope of Work, but have reported correctly unduplicated recipients. The homeless facility is operated out of an old motel. They have rooms that are available for differing time frames. They have individual case files when the person is actively assisted and transfer the paperwork to a binder once the recipient has completed their stay. Intake forms are signed and data regarding income, race, and gender is indicated on these forms. They use a system called Intuit to track financial data. They have a staff member who provides job information. They had 43 recipients get employment based on references from the center. They believe with this collaboration they can help people others cannot.

Findings and Concerns

A finding is defined as a program element that does not comply with a Federal statute or regulation. Findings require a response and must be resolved by implementing specific corrective actions.

A concern is either a potential finding or program weakness that should be improved to avoid future problems. Concerns bring to the attention of the recipient potential areas where changes could be beneficial to the program, and/or if not addressed could lead to findings in future program reviews.

Areas Covered: Each applicable area on the City of El Cajon monitoring checklist was covered. Broad topics include National objectives and eligibility; Performance evaluation/conformance to Subrecipient Agreement; Record-keeping system; Financial management system; and Non-discrimination policies. There were no findings. There were no concerns or findings.

Monitoring completed by: 

CITY OF EL CAJON
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
SUBRECIPIENT MONITORING CHECKLIST

Organization: ECTLC
Address: 1527 E. Main St.
Agency Staff: Ivan Andujar
Review Team: Carpenter
Date of Visit: 5/17/11 Test Period Reviewed: 2010/11

In preparation for this monitoring visit, the assigned monitor has reviewed the following project data contained in the City of El Cajon's files:

- Subrecipient's Application (and any amendments approved)
- Written agreement with Subrecipient (and any amendments or approved changes in scope of work or budget)
- Progress reports submitted through 5/2/11 [date]
- Requests for payment
- Documentation of previous monitoring(s) and corrective actions
- Copies of audits submitted

1.0 NATIONAL OBJECTIVES AND ELIGIBILITY

1.1 Which National Objective is being met? _____

Benefit to Low- and Mod-Income Persons:

- Low/Mod Area Benefit
- Limited Clientele Benefit
- Low/Mod Housing Benefit
- Job Creation or Retention

Aid in Prevention of Slums or Blight:

- on an Area Basis
- on a Spot Basis
- An Urgent Need:
- Needs having a particular urgency

1.2 What is the eligibility citation (§570.201-206)? _____

2.0 PERFORMANCE EVALUATION/CONFORMANCE TO SUBRECIPIENT AGREEMENT

2.1 Are the contract objectives being met with respect to location(s) and hours of operation as specified in the contract? _____

If not, explain Previous Courts not unduplicated
City staff recently clarified they must be
unduplicated -

CITY OF EL CAJON
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
SUBRECIPIENT MONITORING CHECKLIST (Page 2)

2.2 Is the project achieving expected levels of performance (number of persons served, number of units completed, etc.), reaching the intended client group, and being performed in a timely manner (in accordance with schedule as shown in the Agreement)? _____

List accomplishments and explain discrepancies see previous -
Certain # of rooms are available for longer
terms 101 rooms - 30 rooms available for
1 hour (28 days max stay)

2.3 Have progress reports been submitted on time and were they complete and accurate? _____

Using HPRP - no longer reporting or CDBS -

2.4 Does the project conform to any special terms or conditions included in the Subrecipient's Application and/or Subrecipient Agreement? _____

Care taken w/ religious
part of their programs - keep it
out of CDBS

3.0 RECORD-KEEPING SYSTEM

3.1 Are the subrecipient's files orderly, comprehensive, secured for confidentiality where necessary, and up-to-date? Note any areas of deficiency. _____

Ind. case files while
person is active - then to binder for storage

3.2 Is there a system in place for collecting and aggregating the data submitted on income, race and gender to support the information/reports provided for the CAPER? Please describe the project's intake process: _____

Is on the initial intake form -

3.3 Can the information listed on reports be tracked back to the original recording forms? _____

Is on the form

3.4 Are separate files kept for each client, with information on income, race, and gender? _____

yes

3.5 Is income verified or self-reported? Please describe process for verification. _____

Self-report - do require verif - check EBT

3.6 Are records retained for minimum of four years? _____

yes

amt for room
 What they would charge gov. pub. for a room
 single 5.00/night
 double 6.00/night
 for 800

CITY OF EL CAJON

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

SUBRECIPIENT MONITORING CHECKLIST (Page 3)

4.0 FINANCIAL MANAGEMENT SYSTEM

4.1 Are there fiscal management procedures and systems in place including financial reporting, recordkeeping, accounting systems, and payment procedures? Please describe.

CFO + CBO sign off on reimbursables - Bill for room

4.2 How are CDBG funds accounted for separately? spreadsheets

4.3 Is there a system to track budget vs. actual expenditures and CDBG fund balance? Please describe.

None on list of those houses signed by client? - Case manager issued voucher

4.4 Does the agency maintain adequate source documentation for expenditures charged to CDBG?

Had to stay in E.C. prev. night to get assistance

4.5 Is there an adequate internal control system? OK

4.6 Does the financial management system include the following?

Chart of Accounts

Reconciliation Intuit

Journals

Data processing Computer -

Ledgers

Reporting system

4.7 Do the accounting records include?

Draw down requests

no staff costs provided -

Bank records room only -

Payroll records/timesheets

Receipts/disbursements

Cost allocation plan

4.8 Does the agency handle cash payments and if so, how are they managed?

Get fees from rooms managed by programs other than CDBG

4.9 Is Program Income generated, and if so, properly accounted for? none for CDBG

program vouchers

4.10 Was Independent Audit or Single Audit required, and if so, completed and submitted for clearance? provided w/ application

Any questioned costs or findings?

5.0 NON-DISCRIMINATION

5.1 Is there a policy of Equal Employment Opportunity? yes

5.2 Is there a policy of Non-Discrimination for services? yes

5.3 Is this location accessible to persons with disabilities? some rooms available for disabled

CITY OF EL CAJON
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
SUBRECIPIENT MONITORING CHECKLIST (Page 4)

6.0 PROPERTY MANAGEMENT

[Applies to this project: Yes No]

6.1 Are acquisition records maintained? _____

6.2 Was any property disposed of? _____

 If so, were CDBG funds repaid? _____

6.3 Are there any safeguards to prevent damage or theft? _____

7.0 PROCUREMENT AND BONDING

[Applies to this project: Yes No]

7.1 Are there written procurement procedures? _____

7.2 For this project, what was the total dollar amount of the contract procured? _____

7.3 For this contract, what procurement method was used (24 CFR §85.36(d))?

Small purchase Competitive proposals

Sealed bids Non-competitive proposals

7.4 Were any debarred, suspended or ineligible contractor used? _____

7.5 Were conflict of interest provisions and bonding requirements included in all contracts? _____

8.0 LABOR STANDARDS

[Applies to this project: Yes No]

8.1 Does this project involve construction work valued in excess of \$2,000? _____

8.2 If so, has Davis-Bacon been determined by Contract Administrator to apply to this project? _____

8.3 Were appropriate Davis-Bacon wages paid? _____

8.4 Is documentation in files?

____ Wage determination _____ Certified Payrolls

____ Employee interview forms

8.5 Person responsible for Labor Standards: _____

9.0 OVERALL EVALUATION

9.1 Is subrecipient meeting the terms of the Subrecipient Agreement and HUD regulations? Describe
positive conclusions and any weaknesses identified. _____

CITY OF EL CAJON
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
SUBRECIPIENT MONITORING CHECKLIST (Page 5)

9.2 Corrective action(s) or follow-up measures needed and schedule for implementing: _____

9.3 Training/technical assistance needed and schedule for implementing: _____

9.4 Additional comments: _____

Monitor Signature: _____ Date: _____

Title: _____

Additional narrative report attached.