



Community Development

Honoring and celebrating the people who make El Cajon the Valley of Opportunity

July 24, 2013

Mr. Ivan Andujar
East County Transitional Living Center
1527 E. Main Street
El Cajon, CA 92021

Re: FY 2012-13 Community Development Block Grant (CDBG) Funding
On-site Monitoring Visit: February 4, 2013
Project Name(s): Emergency Shelter Program (C0713) and Heating/Air-Conditioning
Units Replacement Project (C0729)

Dear Mr. Andujar:

Thank you for your response dated June 13, 2013 in response to the City's monitoring conducted dated February 4, 2013. Based upon your response and submittals, we are clearing the two (2) Concerns set forth in the Monitoring Summary dated June 3, 2013. Your responses to the concerns were addressed as follows:

Concern # 1: Cleared


As noted in my Monitoring Summary letter, there was a concern that ECTLC does not have a written policy for retention of CDBG records. You submitted documentation to evidence that a written Records Retention Policy relative to CDBG program records was now developed.

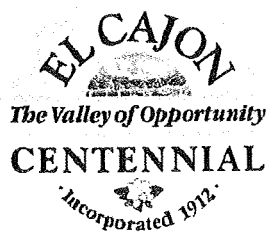
Concern #2: Cleared

As noted in my Monitoring Summary letter, there was a concern that ECTLC does not have a written policy or statement for non-discrimination for services. You submitted documentation to evidence that a written statement of non-discrimination in services has been developed and incorporated into ECTLC's Policies and Procedures manual. Further, a statement for non-discrimination in services is now included on the bottom of receipts provided to (and signed by) clients receiving services.

As of the date of this letter, the City of El Cajon is satisfied that appropriate corrective actions have been and are being taken to comply with federal HOME requirements. If you should need further information or have further questions or concerns, please contact me at jkasviki@cityofelcajon.us or (619) 441-1786.

Sincerely,


Jamie Kasvikis
Senior Management Analyst



Community Development

Honoring and celebrating the people who make El Cajon the Valley of Opportunity

June 3, 2013

Mr. Ivan Andujar
East County Transitional Living Center
1527 E. Main Street
El Cajon, CA 92021

Re: FY 2012-13 Community Development Block Grant (CDBG) Funding
On-site Monitoring Visit: February 4, 2013
Project Name(s): Emergency Shelter Program (C0713) and Heating/Air-Conditioning
Units Replacement Project (C0729)

Dear Mr. Andujar:

On February 4, 2013, I visited the East County Transitional Living Center facility at 1527 E. Main Street, El Cajon, to conduct monitoring and review the progress of the Community Development Block Grant (CDBG) project(s) "Emergency Shelter Program" and "Heating/Air Conditioning Unit Replacements," and to review the organization's record-keeping systems and standard operating procedures. This review was to ensure compliance with contract obligations and HUD regulations governing administrative, financial and programmatic operations.

During my review, I inspected Emergency Shelter client files and also inspected the installation of heating/air-conditioning units that had been replaced through that date. The attached report summarizes the results of the City's monitoring on the above date.

Overall, the organization has been making diligent efforts to comply with applicable Federal requirements. Both projects have progressed well and based on files and systems reviewed, the organization is in compliance with most of the regulations governing administrative record keeping systems.

Please see the attached Subrecipient Monitoring Report and submit your response to the two (2) Concerns noted to me by **June 14, 2013**. If you need further information or technical assistance, please contact me at 619-441-1786 or jkasviki@cityofelcajon.us.

Sincerely,



Jamie Kasvikis
Senior Management Analyst

Enclosure: Subrecipient Monitoring Report – FY 2012/13

Subrecipient Monitoring Report – FY 2012/13

Agency: East County Transitional Living Center

Program/Project: FY 2012-13 “Emergency Shelter Program” (C0713) and “Heating/Air Conditioning Unit Replacements” Project (C0729)

City staff present: Jamie Kasvikis

Agency staff present: Ivan Andujar, Harold Brown

Date of Monitoring: Program content, files and clients records were monitored on-site on 2/4/2013.

Performance Evaluation: The Scope of Work of the contract for Emergency Shelter services between the agency and the City of El Cajon indicated they would serve up to 200 homeless individuals over 12 months. Services include shelter, case management and daily meals (3 per day). The shelter services are charged to the City at the rate of \$49.50 per night. Reports have been submitted on time and any corrections requested are completed promptly. Through January 31, 2013, the total number of homeless served in this program was 119 (60%) and the total billed to the City was \$40,293 (54%). The program is on track to be fully expended by May 2013. Performance is acceptable.

In addition, two separate contracts for facility improvements to the Shelter Facility were entered into between the Agency and the City, one in FY 2011-12 and another in FY 2012-13. Each contract included the purchase of 50 heating/air conditioning units for installation in 100 different rooms by the Agency’s on-site building maintenance staff on the property. As of the date of the site visit, all 100 units had been purchased, and the first 50 units relative to the first contract (FY 2011-12 allocation) were installed on the south side of the property. The openings/sleeves had been sealed and re-stuccoed satisfactorily (see attached photos). The improvements on the south side of the facility are awaiting only paint. The entire facility is expected to be painted in the next year or so. A performance report of the participants who have benefitted from the improved heating/air conditions in each room has been submitted. Performance is acceptable.

The additional 50 units relative to the second contract (FY 2012-13 allocation) are in various stages of installation on the north side of the property (see photos). It was determined that because 100% of units have been/are being installed by Agency employees (not by a contractor), Davis-Bacon does not apply. Installation is expected to be completed by end of March 2013. Performance is acceptable.

Facility: There are 101 rooms in total at the facility located at 1527 E. Main (former Fab 7 motel). Of those, 36 rooms (on the north side/west end) are reserved for the Agency’s Transitional Living and Emergency Shelter programs. The mix between these two programs varies from day-to-day, for example, on any given day there could be 10 individuals/families in

the Emergency Shelter program and 15 in the Transitional Living program. Transitional Living participants pay \$199.65 per week in program fees and may stay up to a year. Emergency Shelter participants do not pay program fees and may stay up to 28 days. Several rooms were visited and the facilities are in fair-to-good condition.

Additional programs at the facility include: Apartments reserved for the Men's and Women's Discipleship Programs, Program Graduates and a Family Restoration program. A converted restaurant on the neighboring property serves as the kitchen facilities/food pantry for the entire complex.

Record-keeping System/Client Files: Client information is kept in separate files in a locked cabinet in an office where only certain staff have access and program participants do not have access (see photo). The files were orderly and organized alphabetically by client name. Per Ivan, client files are retained for a minimum of 10 years (none have been destroyed since the program began operations in 2005). However no written policy for retention of CDBG records exists. It is recommended that the Agency adopt a written policy for retention of CDBG records. This results in a Concern (Concern #1).

The Agency's intake process for this program was discussed. When a client presents, an oral interview is conducted by the case manager to determine the best program fit (if any). Case management includes identifying resources and assisting the participant with connecting to those resources. Intake forms are filled out by the case manager during the oral interview and are then signed by the participant. Data regarding income, race, gender and disability is collected on these forms. Data is then input into ServicePoint and reports are generated from there. The Agency reports that ServicePoint is working well for them and they are being supported with adequate training.

Income and homeless status are self-reported and there is no third-party verification of income collected as most participants in the Emergency Shelter Program do not have any income to verify. It is recommended that copies of such documentation be kept whenever available. Homelessness is a presumed benefit category of clientele.

Financial Management System: The Agency uses a system called Intuit to track financial data. Staff members review the budget vs. actual expenditures weekly and all financials are reviewed quarterly at Board meetings. Files and invoices are easily located by vendor and check numbers are cross-referenced. Checks over \$2,500 must be signed by the E.D. and a board member. A Chart of Accounts was provided and the City of El Cajon CDBG account is tracked separately. Independent audits are completed periodically. The next audit is underway and a copy will be forwarded upon completion.

Non-Discrimination: A portion of the Employee Handbook was provided that contains the Agency's Equal Employment Opportunity policy. However, no written policy or statement for non-discrimination for services was provided. This results in a Concern (Concern #2). Section 109 of the Housing and Community Development Act of 1974 (which authorizes the CDBG Program) prohibits discrimination in services for programs or activities funded with CDBG funds. Documents which are available to potential and current applicants should contain some

language regarding non-discrimination for services. This could be accomplished in one of the following ways:

- 1) Adding a statement of non-discrimination for services to the Intake/application form or other Agency promotional handouts that potential clients would be given; and/or
- 2) Posting a Notice in the Registration Area (and the website?) and adding language to the Shelter Rules which are provided as hand-outs to clients accepted.

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.

Concern #1: A policy for retention of CDBG records must be developed in accordance with 24 CFR 84.53(b) as modified by 24 CFR 570.502(b)(3)(ix) (A) and (B). In general, records are to be retained for a minimum of four (4) years from the date of the last Annual Performance and Evaluation Report in which the specific activity is reported on for the final time.

Concern #2: A policy of non-discrimination for services must be developed and both current and potential clients should be notified of its existence in order to clear this Concern. A copy of the Board-approved statement or policy must be submitted to the City as well as copies of the written statement advising clients of the policy. If posted on a wall, a picture of the posting and its location will suffice. Samples of such statements were provided to Agency staff on 2/12/13.

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 two Concerns which are outlined above. Agency is requested to address the two Concerns outlined above and provide responses and/or proof of clearance to the City by June 14, 2013.

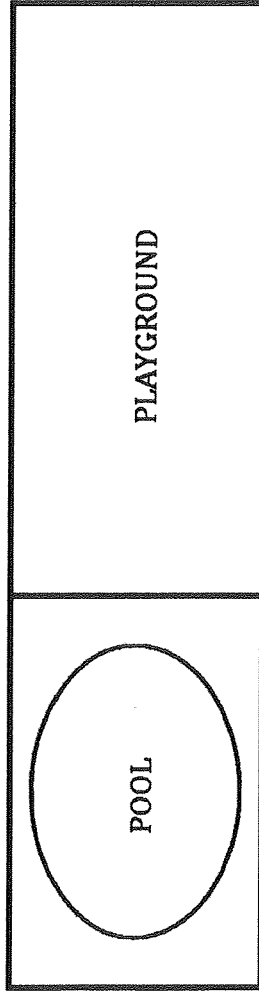
Date Report completed: Site visit completed February 4, 2013; report completed June 3, 2013

EAST COUNTY TRANSITIONAL LIVING CENTER ROOM USAGE MAP

- TRANSITIONAL PROGRAMS
- MINISTRY (NON PAID)
- Maintenance
- Offline - ESP/Transitional
- MINISTRY (PAID)
- FAMILY RESTORATION
- Storage
- Offline - FRP/Ministry

279	280	281	282	283	284	285	286	287	288	289	291	292	293	294	295	296	297	298	300	301	302	303	MINISTRY OFFICE
207	208	209	210	211	212	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	FINANCE	RESOURCE	DEVELOPMENT

270	271	272	273	274	275	276	277	278
201	202	203	204	205	206	207	208	209
OFFICE								



STORAGE
231
232
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239

LAUNDRY ROOM	267	266	265	264	263	262	261	260	259	258	257	256	255	254	253	252	251	250	249	248	247	246	245	244	243	242	241	240
DONATION																												