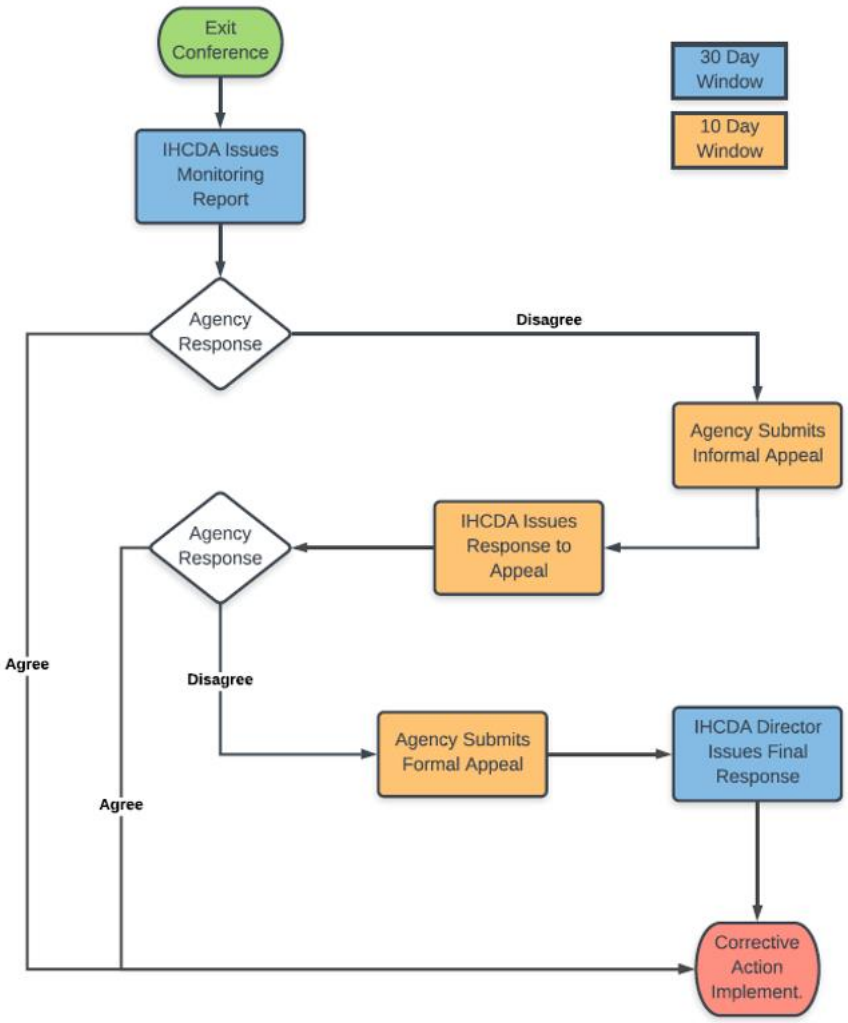
Appendix I: CSBG CAR Monitoring Reporting Process

A. Monitoring Report Content Acceptance Timeline

The agency must either **Accept** or **Informally Appeal** (disagrees with) the specific Standards that have been "Not Met" or "Partially Met". The agency will have ten (10) calendar days from the receipt of the monitoring report to submit, via email, any written response to the IHCDA Community Programs Monitor-CSBG. If the agency accepts the report, it will receive a CSBG CAR On-site monitoring Completion letter outlining the appropriate corrective action step.

1. IHCDA's Community Programs Monitor-CSBG will respond within ten (10) calendar days of receipt a response of the agency's Informally Appeals the monitoring report.
    a. If IHCDA agrees with all items identified in the agency's **Informal Appeal**, the agency will receive a CSBG CAR Monitoring Completion letter outlining the appropriate corrective action category and response.
    b. If IHCDA does not agree (in-full or in-part) with the agency's Informal Appeal, the agency will receive **IHCDA's Informal Appeal Reply.** The response will acknowledge which standards have been approved or still stand as identified**.**

2. The agency will provide a **second response** within ten (10) calendar days to IHCDA's Informal Appeal Reply.
    a. If the agency agrees with the decision, the agency's second response is to be sent to the Community Program Monitor- CSBG. The agency will receive a CSBG CAR On-site Monitoring Completion letter outlining the appropriate corrective action category and response.
    b. If the agency disagrees (in-full or in-part) with IHCDA's informal appeal response, the agency may submit a **Formal Appeal,** in writing, to the Director of Community Programs. The Director of Community Programs will review the formal appeal and provide a written decision within thirty (30) calendar days. Whatever decision made is final.



B. Agency Corrective Action Response Timeline

After all standards have been finalized, the monitor will issue a Monitoring Completion letter. The Monitoring Completion Letter will officially closeout the remote and onsite monitoring phase and moves the agency onto compliance monitoring. The summary will outline whether the agency will be required to complete a Required Action Plan (RAP) or is eligible for a Modified Quality Improvement Plan (MQIP) or a Quality Improvement Plan (QIP).
Time Period: Within 10 calendar days

Based upon the necessary action, below are the appropriate submission timelines from the agency's official notification:

RAP Time Period: **Within 30 calendar days** (submit to CSBG Monitor)
MQIP Time Period: **Within 45 calendar days** (submit to CSBG Manager)
QIP Time Period: **Within 60 calendar days** * (submit to CSBG Manager)

** 678C(4)(a)-the agency develops and implements <u>within</u> 60 days after being informed of the deficiency, a QIP*

Corrective Action Category Description

IM 138 requires a Technical Assistance Plan (TAP) to be developed in situations where CAAs are not meeting CSBG Organizational Standards. Based on the agreed upon deficiencies detected as part of the CAR, the CSBG CAR Monitoring Completion Notification or Notice of Improvement Plan (MQIP/QIP) will outline the following course of action:

1. Required Action Plan (RAP)

The RAP, what Indiana calls the TAP, is prepared by the agency to address and resolve any deficiency identified in the CAR report and should provide a timeline (month, day and year) for implementation or correcting each issue typically within ninety (90) calendar days from the approval response letter, unless otherwise specified in the monitoring report. If IHCDA finds that the RAP does not effectively resolve the deficiencies, IHCDA may determine that the agency requires additional monitoring and will be placed on a Modified Quality Improvement plan (MQIP) or Quality Improvement Plan (QIP).

It is the responsibility of the monitored agency to provide IHCDA with the necessary documentation of completed benchmarks, as required, in their monitoring response. IHCDA may track the agency's progress through the RAP or at the next monitoring session. However, action items identified on the RAP that are not completed by the next monitoring will be placed on the new report causing additional penalties.

2. Modified Quality Improvement Plan (MQIP)

A MQIP is usually programmatic in nature, triggered by substantial changes to the organization's operational health and service delivery. Some examples include but are not limited to; the agency may be non-compliant with its tripartite Governing Board requirements, Board bylaws, ROMA requirements, personnel or fiscal policies, conflict of interest practices and/or strategic and succession planning. There also may be fiscal issues that are identified as an area for improvement. At the invitation of the Executive Director, IHCDA will present the CAR final report to the agency Board of Directors. However, IHCDA may also deem this step necessary if there is minimal progress being made throughout the MQIP process.

If the agency's CAR overall performance score merits a MQIP, IHCDA will set forth performance benchmarks to be included in the RAP, along with a required completion date for the plan. IHCDA will review the plan and work with the agency to obtain an approved process to correct the listed deficiencies. Generally, the MQIP process should be completed within one hundred and eighty (180) calendar days and is quicker than a QIP. If progress on completing required actions listed on the RAP deviate from the accepted timeline or do not meet the stated objective, IHCDA may determine the agency should be placed on a QIP.

Agencies that have been placed on a MQIP will be required to create direct lines of communication with IHCDA in which they will:

- Provide progress reports on the action plan during a monthly or quarterly conference call.

3. Quality Improvement Plan (QIP)

Section 678C(a)(4) of the CSBG Act allows for State discretion in the implementation of a Quality Improvement Plan to correct an identified deficiency or deficiencies. A QIP is often financial in nature, triggered by substantial changes in the agency's fiscal health. The agency may have outstanding debt, unpaid vendors, unallowable costs, or negative ratios. There may also be significant program deficiencies that need to be addressed such as the examples listed in the MQIP section above. Agencies are not required to have deficiencies in both the program and

fiscal sections of the CAR to be placed on a QIP. IHCDA's process for addressing noncompliance will follow the guidance set forth by Information Memoranda 116 (IM-116) at https://www.acf.hhs.gov/ocs/resource/no-116-corrective-action-termination-or-reduction-of-funding. The State is required (678C(4)(a)) to provide official notice to HHS of any agency placed on a QIP **within 30 calendar days** of accepting the agency's quality improvement plan. The State must also track progress on correcting deficiencies and training and technical assistance. Finally, the State will report the results of the IM-116 process.

The IHCDA monitor will present the CAR Monitoring Report to the agency Board of Directors at the first available meeting after the agency has been notified of its QIP status. If the agency is placed on a QIP, IHCDA will set forth performance benchmarks to be included in its Corrective Action Plan (CAP) including anticipated required completion date for the plan. The submitted plan to IHCDA must be approved by the agency's governing board. IHCDA will review the plan and work with the agency to obtain an approved process to correct the listed deficiencies. Generally, the QIP process is be completed after one hundred and eighty (180) calendar days.

Agencies that have been placed on a QIP will receive additional monitoring. The agency will be required to create and implement direct lines of communication with IHCDA in which they will:

- Provide progress reports on the action plan during a monthly conference call.
- Develop and submit a monthly QIP Implementation Scorecard to IHCDA which will track and demonstrate progress (%) in meeting the identified action items.
- Provide the governing board with a progress report or the aforementioned QIP Implementation Scorecard at each scheduled meeting and submit the meeting minutes to IHCDA indicating discussion and board acceptance.
- Provide supporting documentation upon request.

Additional special conditions may be initiated by IHCDA, including but not limited to:

- Governing Board President involvement in all correspondence and progress meetings
- Withholding authority until evidence of acceptable performance is provided
- Requiring additional, more detailed financial reporting
- Additional project monitoring (onsite and/or desk-top) to assure the agency is meeting the required performance benchmarks
- Requiring the agency to obtain technical assistance (T/TA)
- Working with the State Association to help correct failures
- Establishing additional prior approvals
- Additional analysis and increased frequency of denial from Request for Purchases of equipment or services using CSBG funds
- Additional review of claims submitted for payment

Failure to complete the QIP may result in continued monitoring or a reduction, withholding, or termination of the agency's CSBG funding. Specifically, if the agency fails to complete the QIP within multiple years, a final RAP will be required. Failure to successfully complete the final RAP may result in a reduction or termination of CSBG funding. **Note: significant deficiencies related to fiscal health, program integrity or fraud, waste and/or abuse may escalate this timeline.** During the QIP process, IHCDA follows the action steps for Information memorandum (IM) 116.

3.a The Information Memorandum (IM) 116 Overview

Information Memorandum 116 provides background on statutory and regulatory requirements for terminating organizational eligibility or otherwise reducing the share of funding allocated to any

CSBG-eligible entity. IHCDA must assure accountability and prevent waste, fraud, or abuse of CSBG funds for each recipient.

IM 116 lays out a series of steps which would be taken by IHCDA throughout its oversight to assure compliance with the CSBG Act and applicable regulations cited in the agency's grantee agreement. Once an agency is placed on a QIP, IHCDA will notify the federal Office of Community Services (OCS). Ultimately, (A) The agency completes the necessary requirements of the QIP and will be removed from the QIP process or (B) IHCDA will provide adequate notice to the agency and an opportunity to attend a public hearing for the reduction or termination of its funding due to failure to meet the RAP and timeline to resolve the deficiencies identified in the QIP.

After providing an opportunity for a public hearing, if IHCDA finds cause for termination or reduction in funding, the State may initiate proceedings to terminate the designation of or reduce the funding to the agency. If IHCDA determines funding will be reduced or that eligibility for CSBG funds will be terminated, IHCDA must notify both the agency and the HHS Secretary of the decision.

A Federal review of the State decision to reduce or terminate funding may be initiated through a request from the affected organization. In accordance with 45 CFR §96.92, an eligible entity has 30 days following notification by the State of its final decision to request a review by the Secretary of the Department of Health and Human Services (HHS).

Monitoring Closeout

The Monitoring Closeout Letter officially closes the monitoring event.