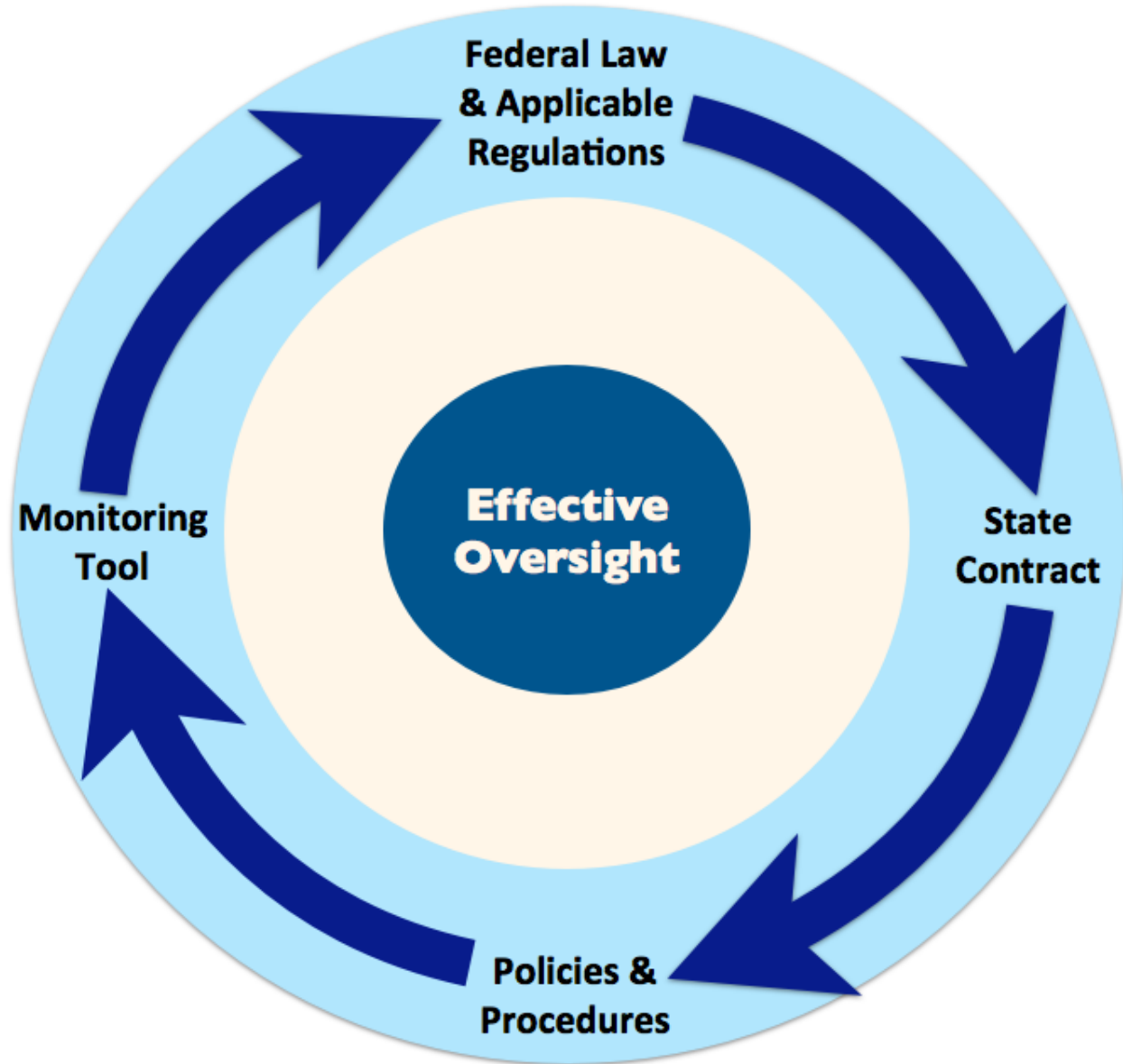# Monitoring Standards and Practices

February 24, 2015 CSBG ORIENTATION

Effective Monitoring: An Overview

Effective Oversight

☐ Federal Law and Applicable Regulations

☐ NASCSP Monitoring Standards

☐ State and CAA Policies and Procedures

☐ State Contracts with CAAs

☐ State Monitoring Tool

Ongoing Monitoring

Federal Requirements

Guidance from CSBG Act

"SEC. 678B. MONITORING OF ELIGIBLE ENTITIES.

"(a) IN GENERAL.—In order to determine whether eligible entities meet the performance goals, administrative standards, financial management requirements, and other requirements of a State, the State shall conduct the following reviews of eligible entities:

"(1) A full onsite review of each such entity at least once during each 3-year period.

"(2) An onsite review of each newly designated entity immediately after the completion of the first year in which such entity receives funds through the community services block grant program.

"(3) Followup reviews including prompt return visits to eligible entities, and their programs, that fail to meet the goals, standards, and requirements established by the State.

"(4) Other reviews as appropriate, including reviews of entities with programs that have had other Federal, State, or local grants (other than assistance provided under this subtitle) terminated for cause.

"(b) REQUESTS.—The State may request training and technical assistance from the Secretary as needed to comply with the requirements of this section.

OCS Information Memorandum 97

☐ A full onsite review of each such entity at least once during each 3-year period.

☐ An onsite review of each newly designated entity immediately after the completion of the first year in which such entity receives funds through the community services block grant program.

NASCSP Monitoring Standards

Guiding Principles

☐ NASCSP Monitoring Workgroup

- ▪ The group adopted three guiding principles to set a positive tone for working with CAAs.

  ❑ Mutual Respect

  ❑ Open Communication

  ❑ Joint Problem Solving

Guiding Practices

1. State monitors should look at more than mere compliance with program rules and regulations.

2. The Board of Directors must fully understand its roles and responsibilities.

3. Managing a community action agency requires a high level of administrative and leadership skills.

4. Monitoring community action agencies is part of a process to strengthen CAAs and the entire Community Action network.

Guiding Practices

5. The State CSBG office should have a system in place to document and inform the agency of findings and/or deficiencies.

6. The State CSBG office should have a system in place to provide training and technical assistance when necessary.

Practice 1: Looking Beyond Compliance

☐ Is the agency partnering with other agencies in the community to strengthen services and provide a community wide approach to address the needs of those seeking services?

OR

☐ Is the agency duplicating services already available in the community?

Practice 1: Looking Beyond Compliance

☐ Programs operated by a CAA must contribute to the agency's overall mission, and each program must achieve measurable outcomes that help to change the lives of low-income people.

☐ Collects ROMA data, analyzes data on performance measures, and adjusts its short and long range plans on that analysis constitutes significant evidence of a CAA's commitment to making a difference for the families it serves and the communities in which it works.

☐ Uses performance data to improve programs.

Practice 2: Assess Board Understanding

☐ Is the board active and engaged in fulfilling the mission of the agency?

- *Is the board driving the strategic plans for the agency?*

☐ Has the board reviewed and updated its by-laws recently?

- *Does the board follow the by-laws for such issues as board membership, removing board members for lack of attendance, etc.?*

OCS Information Memorandum 82

"State CSBG officials should meet routinely with boards as part of their overall monitoring of local agencies to determine the extent to which the boards are aware of, and are carrying out, their responsibilities."

OCS Information Memorandum 82

☐ Roles, responsibilities, appointment, and composition of boards

☐ Term limits of boards

☐ Definition of "fully participate in the development, planning, implementation, and evaluation of the program."

OCS Information Memorandum 82

- ☐ Board member training

- ☐ "Conflicts of loyalty or interest"

- ☐ Relationship between a tripartite board and the agency Executive Director

- ☐ State CSBG agencies and State Community Action Associations advance the effectiveness of tripartite boards

Practice 2: Assess Board Understanding

☐ Attend a board meeting

☐ Use an Observation tool and take notes

- Is the board active and engaged in fulfilling the mission of the agency?

- Is there a quorum at most board meetings?

- Does the board serve primarily as a rubber stamp for the Executive Director?

- Is the board a true policy-making body or does the board frequently wander into operational or procedural matters (micro-managing the agency)?

- Do the board minutes accurately reflect the actions taken at board meetings - including the exact wording of motions?

Practice 2: Assess Board Understanding

☐ Interview board members

- How do you exercise oversight and ensure accountability for agency outcomes and fiscal integrity?

- What reporting is provided to you keep you informed about progress, problems or changes needed in agency programs?

- Is the Board fully seated?

- Are there any openings on the board? How many? How long have these vacancies been open?

- If a review of the board minutes indicates low attendance, what efforts are being made to increase board member attendance?

Practice 2: Assess Board Understanding

☐ Key documents for monitoring boards:

- Board Roster including:

  - ✓ Contact information & dates on which their terms begin and expire.

- Board Binder including:

  - ✓ Corporate & historical documents, roster, calendar, board responsibilities, financial and programmatic info

  - ✓ Bylaws and amendments, incorporation documents, recent 990 filed with the IRS

  - ✓ Current strategic and annual plans

Practice 3: CAA Admin/Leadership Skill

☐ What does the organization structure look like?

☐ Are there a few people who "control" the organization?

☐ Can staff articulate the mission of the agency?

☐ Does the agency have a strategic plan? Who was involved in creating it? Are staff aware of the plan and how their jobs contribute to fulfilling the plan?

Practice 3: CAA Admin/Leadership Skill

☐ What kind of reports are made available to program directors to assist them in managing their programs?

☐ Does each employee have a development and training plan?

☐ How is ROMA outcome data used to assess and enhance the work of the organization?

☐ How do program managers and/or staff address problems or concerns identified in self-assessment or monitoring reports?

Practice 4: Strengthening CAAs

The monitoring process should…

☐ Provide the CAA with feedback about its programs, going beyond compliance to include an assessment of the agency's ability to change lives.

☐ Assist CAA leaders in making changes that will improve their organizations.

☐ Provide CAAs with both an early warning system, and a best practices catalog.

Practice 5: System to Document Findings

☐ Exit interview at completion of monitoring

- *Agency Staff*

- *Board Members*

☐ Summarize

- *Strengths*

- *Findings*

- *Deficiencies*

☐ Timely written report

Practice 6: System for TTA

☐ Providing training and technical assistance in areas in need of improvement

☐ Determine a process for providing assistance

- State CSBG office

- CAA association

- Peer CAA

- Local or national TA provider

- Combination? Other?

Monitoring Review Areas

☐ Governance

- ▪ Meet with the Board of Directors as a whole, if possible. Have they been trained? Fiscal/Program?

☐ Planning

- ▪ Agency mission, vision, values
- ▪ Strategic planning, evaluation, and community assessment

☐ Evaluation

- ▪ ROMA implementation

Monitoring Review Areas

☐ Partnerships

- Coordination/collaboration

☐ Administrative systems and procedures

- HR and Personnel Policies

- Records retention

- Technology implementation and planning

- CSBG Assurances and prohibitions

- Conflict Resolution and grievance procedures

- Subgrantees/delegates

Monitoring Review Areas

☐ Fiscal procedures

- Policy and Procedures manual

- Equipment and purchasing

- Audit and results of previous/other monitoring, fiscal issues

☐ Reporting

- Reporting to funders and to the Board of Directors

- Agency outcomes and performance measures

Tips for the Monitoring Visit

The Monitoring Visit serves three general purposes:

1. To foster a partnership approach to the monitoring process through an open discussion between the state office staff and the grantee staff.

2. To gain a general overview, or big picture, of the grantee's work.

3. To verify compliance with rules and regulations .

Tips for the Monitoring Visit

During the visit, the monitor will observe and listen, facilitate and manage the discussion. They monitor should also…

☐ Notice the physical space…

- Ship shape or a mess?

☐ Be aware of the staff…

- Happy to be here or have they given up?
- Do staff seem nervous and disorganized? Why?

About the A-133 Audit

- ☐ Conducted by an independent auditor
- ☐ Information to assess the overall financial condition of the CAA
- ☐ Audit reviewed in the context of an agency's prior two years' audits
- ☐ Enables state monitors to note any trends in an agency's financial status
- ☐ Request and review written copies of all management letters sent by an audit firm & follow up on identified issues

Best Practices

1. Review and update monitoring tools, as needed
2. CSBG offices are encouraged to monitor their grantees annually
3. Attend a board meeting, if possible
4. Attend staff meetings and/or management meetings
5. Take a tour of the office
6. Technical assistance should be provided as part of the monitoring
7. Review the agencies, conduct an annual risk analysis to prioritize monitoring visits

Best Practices

8. Analyze the trends, to determine where training is needed

9. Review audit, 990's, balance sheet, and other financial reports and corporate documents as desk monitoring prior to the visit

10. Review last years report and other available monitoring reports (Head Start, LIHEAP)

11. When possible, coordinate with other state & federal offices to review agency systems

12. Monitors should avail themselves of fiscal training on a regular basis

Best Practices

13. Findings should not be included in the monitoring report if they were not discussed at the exit interview

14. Send the written report in a timely manner 30 to 45 days

15. Have systems in place to effectively inform agency of status and provide technical assistance

16. Understand the complexity of managing dozens of programs, each with its own guidelines and budgets

17. Understand the many management systems required to operate an agency, as well as the ways those systems must be applied to multiple programs and activities

NASCSP Monitoring Standards

NASCSP

"Community Action leaders at the national, state, and local levels need to work together to ensure that an enhanced monitoring SYSTEM becomes a valuable tool to increase the capacity of Community Action to help people and change lives."

Systems Monitoring

What is a System?

An organized collection of parts (or subsystems) that are highly integrated to accomplish an overall goal.

Systems Thinking

Broad perspective of overall:

Structures, Patterns, and Cycles

"Systems thinking is a conceptual framework, a body of knowledge and tools…to make the full patterns clearer, and to help us see how to change them effectively."

~ Peter M. Senge, The Fifth Discipline

Systems Review and Discernment

To discern an overall pattern from a mass of detail

OCS Information Memorandum 94

"State CSBG Lead Agencies …should … ensure …that agency Head Start programs have ongoing systems of oversight and monitoring."

"It is important to stress that quick fixes to identified problems typically result in a reoccurrence of the problems. Most areas needing improvement are often linked to major systems that often require thoughtful planning and time to implement needed changes."

OCS Information Memorandum 94

"…the Community Services Network must continue to focus its efforts on strengthening overall agency governance and administration, fiscal control, program effectiveness and accountability to assure capacity to comply with all program requirements of the various programs administered by the agency."

OCS Information Memorandum 49

"Recognizing that CSBG does not succeed as an individual program…Special attention will be paid to State capabilities to identify the…needs among eligible entities, particularly those related to strengthening OVERALL program administration, fiscal management…"

OCS Information Memorandum 49

"…State…officials …(should) reinforce the importance of effective management SYSTEMS…"

"…As part of …oversight, we should implement on-going…SYSTEM-WIDE actions…to assure continued administrative and fiscal integrity, program effectiveness, and accountability among ALL PROGRAMS administered by CAAs."

OCS Information Memorandum 49

"…Most areas needing improvement are often linked to major SYSTEMS…"

"…State …officials (should) …reinforce the importance of effective management SYSTEMS…"

"…Agencies in the past have often focused their energies on 'preparing for the monitoring test' instead of implementing on-going SYSTEMS that identify areas needing improvement…"
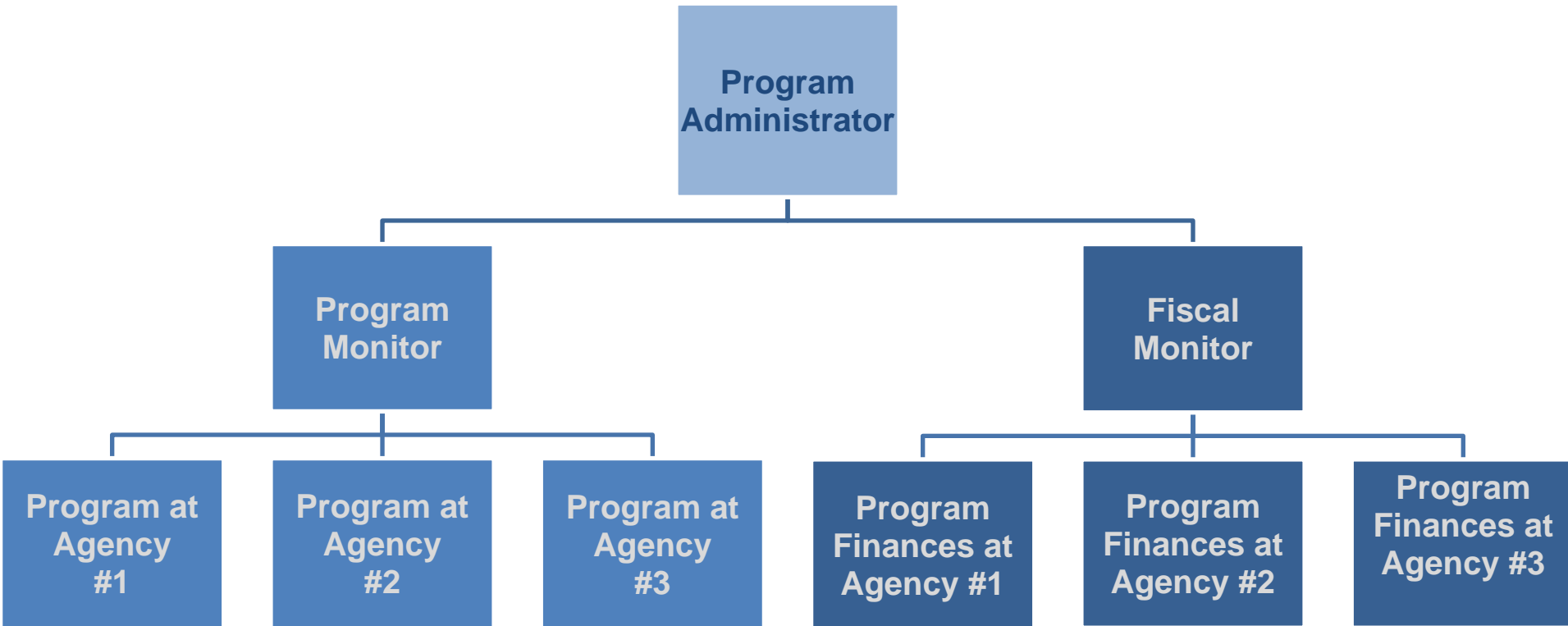
OCS Information Memorandum 49

"…Agencies that choose to operate each of their programs separately without a coordinated strategy to address the multi-faceted causes and conditions of poverty…are meeting neither the letter nor the spirit of the CSBG act."

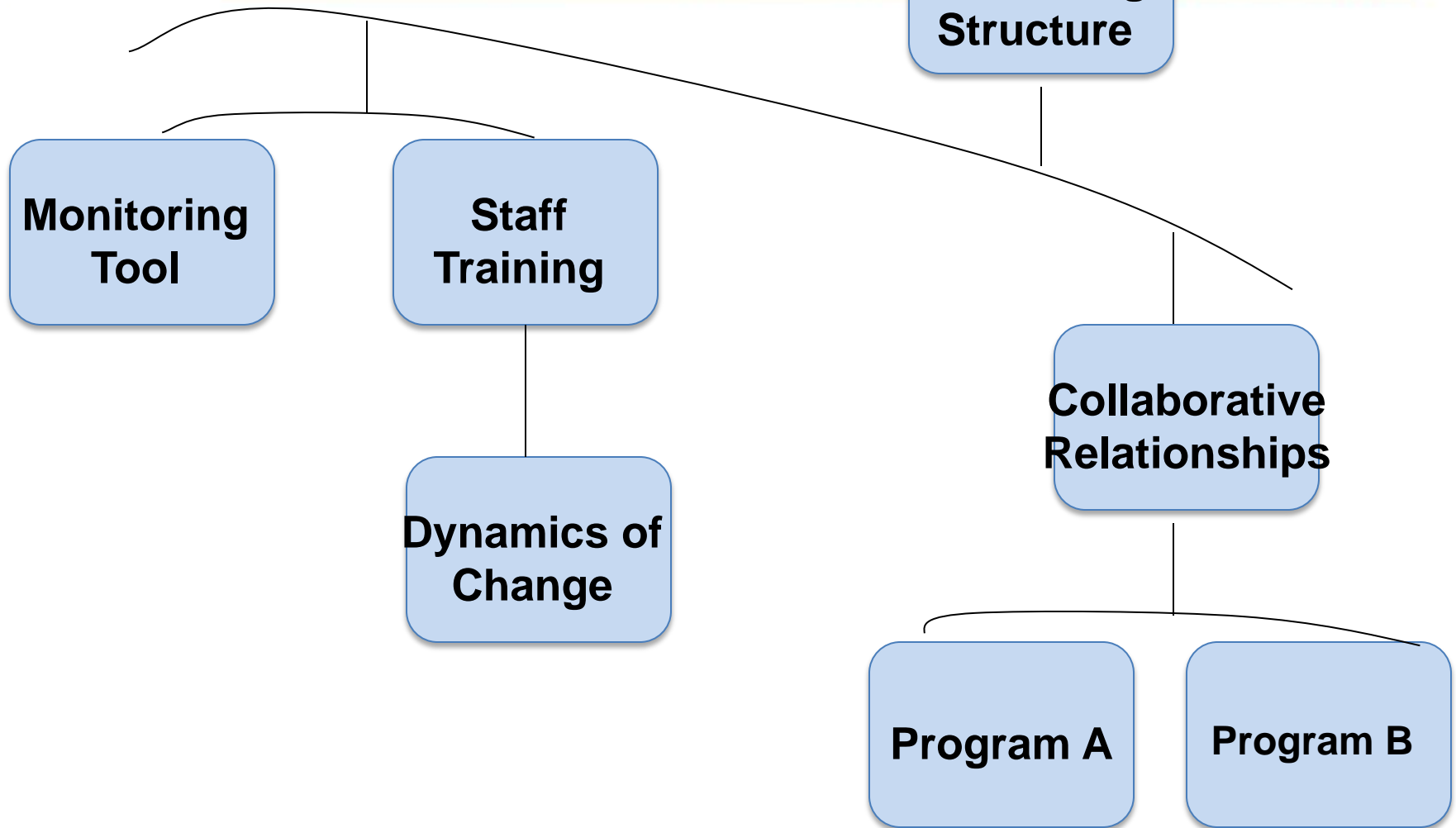"…Community Action is one agency with one mission."

Any State Monitoring Structure

Systems Monitoring Structure

Integrated Monitoring Structure

Monitoring Tool

Staff Training

Dynamics of Change

Collaborative Relationships

Program A

Program B

Systems Monitoring

NASCSP Monitoring Standards

☐ State monitors should look at more than compliance with program rules and regulations

☐ State monitors need to take a SYSTEMS view of each CAA

High Functioning Systems

☐ Continually exchange feedback among the various parts to ensure that they are aligned

☐ When weakened or misaligned, the system needs to make necessary adjustments to achieve its goals

Assessing Your State's Systems

☐ Is the internal structure of your CSBG office and monitoring responsibilities clear and integrated?

☐ Do you have collaborative relationships with other CAA funders (Head Start, HUD, Dept. of Energy, others?)

☐ Does your monitoring tool look at the WHOLE agency, or just CSBG programs?

☐ How are staff trained to take a systems approach to monitoring?

Assessing Your State's Systems

☐ How does the CSBG office keep up with the changing CAA environment (OCS IM releases, Head Start, ROMA COE, other?)

☐ What are your systems for ensuring adequate and timely follow-up to the results of monitoring?

☐ How do you use monitoring results to identify and provide system-wide training and technical support to CAAs?

NASCSP

ROMA-Focused Monitoring

Evidence of ROMA Implementation

☐ In the "evidence-based" environment, you should consider the documentation you want to see that will support the different elements of the ROMA cycle.

- How do you know?

☐ You also need to understand how data is being used:

- How is the entity using their performance data?

- How often is the data reviewed?

- What analysis has been done?

- Is there evidence of any changes that have been made as a result of these reviews?

Achievement of Results

☐ In Monitoring CAAs, you want to find out what results are being achieved.

☐ Some questions:

- To what extent are families, agencies and communities achieving results in the Six National Goals?

- To what extent is the entity changing lives and improving communities?

☐ *Or more simply:*

- What is happening? What is changing?

Questions?

Visit www.nascsp.org for more resources and information.

Credits: NASCSP Standards, Brown, Buckley Tucker, ANCRT, and MN OEO

NASCSP | NATIONAL ASSOCIATION FOR STATE COMMUNITY SERVICES PROGRAMS