



City of Santa Monica

HUMAN SERVICES GRANT PROGRAM (HSGP) GRANTEE MONITORING AND PROCESS REVIEW

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I. EXECUTIVE SUMMARY

A. BACKGROUND, SCOPE, AND METHODOLOGY

Moss Adams LLP (Moss Adams) was contracted by the City of Santa Monica (the City) to perform grantee monitoring and review the current monitoring processes of the Human Services Grant Program (HSGP). The Housing and Human Services Division (HHSD) of the City's Community Services Department oversees a variety of programs and services to help city residents thrive. The City contributes approximately \$8 million annually through the HSGP, which HHSD uses to collaborate with public and non-profit organizations to improve the well-being and quality of life of vulnerable and low-income city residents.

HSGP aims to improve the well-being and quality of life of the city's youth and families, people with disabilities, seniors, victims of domestic violence, low-income households, and people experiencing homelessness. Services provided include meals to seniors, health care clinics for low-income households or unhoused persons without insurance, job search and placement support, school-based mental health services for youth, legal aid, and others. The City contracts with awarded agencies to provide defined sets of services with contractual requirements, which include service and outcome targets, and are supported by program budgets that are approved by the City. Funding for HSGP is provided by Santa Monica general funds alongside federal and local community benefit funds. As such, the agreements made with agencies to execute City-funded programs create a subrecipient relationship. The subrecipient relationships result in certain compliance requirements that must be adhered to in operating the City-funded program including incurring only allowable expenditures in line with approved budgets, verifying participant eligibility, providing required programmatic and financial reporting, and adhering to other requirements based on the specific funding source and program, as applicable.

Moss Adams was contracted to perform grantee monitoring on behalf of the City, which included executing the required FY 2020–2021 fiscal desk reviews and site visits. During the period of review, which was fiscal year (FY) 2020–2021 (July 1, 2020 through June 30, 2021), HSGP funded 19 community-based agencies and 35 distinct programs (subrecipients or programs). In compliance with City policies and procedures (P&P), as well as in accordance with the Uniform Guidance, 2 CFR §200.331 *Subrecipient Monitoring and Management*, the City is required to perform ongoing monitoring for all grantees that receive funding through the HSGP. Although much of the HSGP funding is provided directly from the City, many of the requirements outlined in the Uniform Guidance are best practices for government-funded programs of all types. As part of these monitoring requirements, the City is required to carry out:

- **Fiscal Desk Reviews:** Desk reviews are focused examinations of the relevant documentation of fiscal systems surrounding a grant program. They are intended to facilitate and produce an evaluation of the recipient's capacity to manage their award. In addition, desk reviews can serve as a preliminary step before a site visit takes place or to determine if a site visit is warranted. For HSGP, the fiscal desk reviews conducted by Moss Adams involved obtaining a high-level understanding of the grantee's systems and internal capacity to manage the funds, performing a reconciliation of the financial reporting (provided to the City through bi-annual financial and programmatic reporting) to the grantee's General Ledger (GL) or other internal



accounting and tracking record of expenditures incurred, and conducting sample-based testing of grantee expenditures to evaluate for compliance with specific funding requirements.

- **Site Visits:** Site visits are intended to review the capacity, performance, and compliance of the grant recipient. Site visits allow the City to access to the recipient’s facilities/offices (if able), documentation, financial records, physical assets, written P&P, audit compliance records, and internal controls. For HSGP, the site visits conducted by Moss Adams involved performing fiscal desk review procedures, but also expanded to testing samples of participant files to evaluate the grantee’s controls for maintaining compliant and complete participant files. Typically, site visits are performed in person at the subrecipient site; however, due to the ongoing pandemic, Moss Adams performed site visits virtually where walkthroughs of key processes and controls were performed to better assess the grantee’s capacity, performance, and compliance, and participant files were reviewed electronically.
- **Status Reports:** The City currently requires programs to complete a fiscal and programmatic status report two times each year including one for activity through June 30 (to align with the City’s fiscal year-end) and one for activity through December 31.

We performed a variety of procedures related to grantee monitoring to assess whether the 35 programs were meeting select HSGP compliance requirements. Procedures performed included executing program fiscal desk reviews, performing programmatic site visits, and conducting a survey to gain agency and program feedback on current grantee monitoring processes executed by the City. In addition, we assessed the City’s current monitoring processes through performing interviews, conducting walkthroughs, reviewing documentation and applicable P&P, and evaluating grantee survey results. In evaluating the current monitoring processes, we identified potential opportunities for improvement to increase efficiency, improve program performance, and implement best practices.

This engagement was performed in accordance with Standards for Consulting Services established by the American Institute of Certified Public Accountants. Accordingly, we provide no opinion, attestation, or other form of assurance with respect to our work or the information upon which our work is based. This report was developed based on information gathered from our interviews and analysis of sample documentation. The procedures performed do not constitute an examination in accordance with generally accepted auditing standards or attestation standards.

B. SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

FINDINGS AND RECOMMENDATIONS	
Grantee Monitoring Observations	
1.	<p>Observation</p> <p>The City historically utilized an external Certified Public Accounting (CPA) firm to perform grantee monitoring; however, due to City budget reductions to the HSGP program, the contract was terminated in the summer of 2020. The City does not have a documented fiscal desk review process. During the fiscal desk reviews, several agencies could not locate supporting documentation for program expenditures incurred and charged to City funding.</p>



FINDINGS AND RECOMMENDATIONS	
	<p>Recommendation</p> <p>Develop and execute an ongoing fiscal desk review process and provide technical assistance and training to agencies to ensure funding requirements are understood and followed. This may include the engagement of an external consultant to support City staff in this effort.</p>
2.	<p>Observation</p> <p>Some agencies could not provide certain participant file documentation during the file review process. In addition, the City's current site visit process is time-intensive and demanding for both program personnel and HSGP personnel, and there are opportunities to reduce programmatic monitoring redundancies, gain efficiencies, and maintain oversight standards.</p>
	<p>Recommendation</p> <p>Develop a process to follow up with agencies on a set schedule to ensure corrective actions are implemented and conduct a review of the current site visit processes and identify where there may be overlap with the programmatic reporting process or opportunities to reduce redundancy in the review process.</p>
3.	<p>Observation</p> <p>Agencies required a significant amount of technical assistance and training to comply with the requirements of City funding and the documentation that must be provided to support the monitoring process. Most agencies missed one or multiple due dates established during the monitoring process.</p>
	<p>Recommendation</p> <p>Evaluate reporting requirements to identify opportunities for reduction in requirements based on past performance and provide regular technical assistance to agencies.</p>
HSGP Monitoring Program Observations	
4.	<p>Observation</p> <p>Although the City has developed comprehensive procedures for grantee reporting and monitoring, the extensive requirements and templates developed appear cumbersome and time intensive for both HSGP personnel and agency staff.</p>
	<p>Recommendation</p> <p>Streamline reporting and monitoring processes to reduce the information collected to specifically pertain to the use of City funds and program execution. Consider developing tools and updating processes to increase the efficiency of program reporting and City reviews. This may include engaging with an external consultant to aid in the development, execution, and reporting of ongoing monitoring processes for the City.</p>
5.	<p>Observation</p> <p>While the City has current policies in place to provide agencies and City-funded programs technical assistance, this technical assistance is provided on demand, by request only, and does not include training for all City-funded agencies.</p>



FINDINGS AND RECOMMENDATIONS

Recommendation	To improve the quality of reporting and support provided by agencies and City-funded programs, consider developing either City-specific or program-specific technical assistance processes and/or trainings.
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C. COMMENDATIONS

The City supports agencies and programs through a diverse program portfolio, allowing valuable support to be provided to the community through a variety of resources, including:

- Outreach
- Housing
- Employment
- Basic Needs
- Mental and Physical Health
- Coordination or Case Management
- Data and Analysis
- Legal Aid
- Supportive Services
- Reunification

While the focus of this project was to conduct agency and program fiscal monitoring and provide feedback and recommendations on the City’s current fiscal monitoring processes, it is important to recognize the commendable aspects for both the City personnel, who provided extensive support and expertise, and the community partners, who provided substantial information and supporting documentation for this project.

- **City and Agency Relationships:** HSGP personnel are a vital component to the execution of City-funded human services programs and community support. Through active program partnership, the City has created and maintained strong relationships with the agencies and programs especially given turbulent and uncertain times during the COVID-19 pandemic. These relationships help strengthen the network of care in the City, creating a coordinated “safety net” between the City and the network of funded agencies. In collaborating with HSGP personnel to perform the grantee monitoring, it was evident that they have continued to build and strengthen these relationships in a way that allows the City to partner closely with the community and ensure good stewardship of the funds granted.
- **Grantee Monitoring Program:** The City has developed a comprehensive grantee monitoring program that allows them to stay engaged with community partners and oversee the use of City funds. Through frequent and extensive grantee monitoring, the City has created well-administered and fiduciarily responsible grant programs. Although the COVID-19 pandemic required the City to quickly pivot the processes for conducting grantee monitoring, they were able to maintain a level of effort that, at a minimum, ensured funds were still being sent to the community and used for the purpose or intent of each program.



II. SCOPE AND METHODOLOGY

The scope of this project was focused on HSGP grantee monitoring, which included performing fiscal desk reviews and virtual site visits, for FY 2020–2021. The grantee monitoring performed was focused on the financial aspects of compliance including evaluating how funds were spent, how expenditures were supported, and how financial reporting was conducted. Grantee monitoring did not include a full evaluation and testing of required programmatic reporting; however, the site visit process did include certain limited procedures related to review of participant files. Additionally, this project included a review of the City’s current fiscal grantee monitoring processes and providing recommendations on areas for process improvement.

The procedures performed included:

- **Interviews and Inquiries:** In order to gain an understanding of the specific grantee monitoring processes in place and previously performed, we conducted interviews and performed walkthroughs with City personnel responsible for overseeing HSGP grantee monitoring.
- **Document Review:** We reviewed the existing City policies and other resources related to HSGP grantee monitoring, which included 12 P&P covering various aspects of HSGP grants management. Additionally, we reviewed the City’s current HSGP standard grantee agreement template and the executed current grantee agreements and researched funder-specific requirements, as applicable. We reviewed all documents to gain an understanding of the requirements surrounding grantee monitoring and the City’s current practices in carrying out ongoing monitoring.
- **Program (Subrecipient) Survey:** We developed a survey, which was sent to each of the 35 programs to gather information about the HSGP and the City’s monitoring process. This survey was also utilized to perform an initial risk assessment of the 19 agencies and 35 programs supported by the HSGP. Specifically, the surveys were developed to gather information related to:
 - Internal controls in place for grants management and organization-wide accounting
 - Required annual audits and potential findings
 - Organizational structure
 - Grant/program accounting, tracking, and monitoring procedures
 - Documentation of adherence to City’s cash match requirements
 - Outcomes of previous program (subrecipient) reviews
 - Training provided to program (subrecipient) staff or guidance documentation available
 - Job descriptions and positions funded with City grant funds
 - Engagement of program-funded subcontractor/subrecipients to carry out the program
 - Feedback on current City grantee monitoring processes including what works well and what potential opportunities for improvement exist
 - Feedback on programmatic barriers and achievements from the grantee perspective
- **Fiscal Desk Reviews:** We performed a fiscal desk review for all 19 agencies and 35 programs funded. As part of these fiscal desk reviews, we performed the following procedures:



- Performed a complete reconciliation of the GL detail, which is submitted by agencies to support their financial reporting each project period, ensuring that all amounts could be tied out by category and to the budget in total. Additionally, if a budget modification was required, we inquired with the City to determine if a budget modification was submitted and approved during the period.
- Selected a judgmental sample of 10 to 15 expenditures for each agency based on several factors including the number of expenditures and total dollar amount of expenditures reported during FY 2020–2021, as well as the types of expenditure categories, ensuring we selected a variety of low- and high-dollar amounts across each reporting category. Additionally, we utilized survey responses specifically related to funding and program accounting practices to determine the appropriate sample size for testing.
- For all expenditures selected, we obtained all underlying supporting documentation and performed the following:
 - Evaluated whether the expenditure amounts, in total, agreed to the amount reported on the corresponding financial reports, Detailed Expenditure Listing/General Ledger, and/or Payroll Reports, as applicable
 - Assessed whether the expenditures reported on the financial report aligned with the approved budget categories/line items
 - Determined whether each expenditure reported was supported by adequate documentation including purchase orders (PO), invoices, contracts, timecards, paystubs, or others, as appropriate
 - Assessed whether, based on the supporting documentation, each expenditure appeared to be allowable, in compliance with the executed agreement with the City, for each agency and/or program
- **Site Visits – Participant File Review:** Using a risk-based sampling approach, we selected six agencies (32%) covering 17 of the 35 programs (49%) and \$5.28 million of City funds for performing site visits, which focused on reviewing participant files. The main objective of performing site visits was to evaluate select participant files for documentation about whether eligibility requirements were met and other minimum documentation requirements (i.e., signed consent for services, acknowledgement of program and agency rules and requirements, and others). However, given participant files are maintained electronically by most agencies, the City elected for the site visits to be performed remotely. For each program, we obtained a listing of participants (i.e., patients or clients) who received services through City-funded programs during the review period and we performed the following procedures based on the City's monitoring procedures:
 - Selected a random sample of up to five open and five closed/inactive participant files for review. For all participant files, we reviewed the files to determine whether the following information was documented and contained in the participant file, where applicable:
 - Proof of Santa Monica Program Eligibility
 - Income Verification
 - Consent for Services
 - Intake Form
 - Acknowledgement of Program Rules
 - Acknowledgement of Grievance Policy
 - Proof of Housing Placement (if applicable)



- Participant Closure Process (inactive files only)
- Other documents that were identified as required (varied by program), if applicable
- o In addition to the file documentation above, for all programs related to homelessness, we reviewed the files to determine whether the following information was documented and contained in the participant file, where applicable:
 - Homeless Status Verification
 - Chronic Homeless (if applicable)
 - Disability Status Verification
 - Veteran Status Verification (if applicable)
- o For programs that supported at risk or protected populations (i.e., domestic abuse survivors, etc.), we did not require participant files to be reviewed. Instead, we performed walkthroughs with the agency and programs to review their internal processes and controls for obtaining the required documentation and retaining files. The City approved this decision based on requests from agencies to protect participant anonymity and security. We utilized the walkthroughs to assess whether processes and controls appeared adequate to ensure documentation requirements were met.
- **Review of Current Grantee Monitoring Processes:** We reviewed and analyzed the City's current HSGP monitoring processes to identify opportunities for improvement. Our analysis of the existing monitoring processes took into consideration the capacity of the City's HSGP monitoring team. We researched best practices in human services grants monitoring and evaluated whether there were opportunities for the City to implement certain best practices to improve internal processes. We assessed existing P&P available to support the HSGP monitoring process for adequacy and consistency with best practices.



III. GRANTEE MONITORING OBSERVATIONS AND RECOMMENDATIONS

Based on the grantee monitoring procedures (i.e., desk reviews and site visits) performed, we prepared the detailed observations and recommendations presented below.

FISCAL DESK REVIEWS

1.	Observation	The City historically utilized an external Certified Public Accounting (CPA) firm to perform grantee monitoring; however, due to City budget reductions to the HSGP program, the contract was terminated in the summer of 2020. The City does not currently have a documented fiscal desk review process. During the fiscal desk reviews, several agencies could not locate supporting documentation for program expenditures incurred and charged to City funding.
	Recommendation	Develop and execute an ongoing fiscal desk review process, and provide technical assistance and training to agencies to ensure funding requirements are understood and followed. This may include the engagement of an external consultant to support City staff in this effort.

The City’s current P&P related to grantee monitoring address the detailed financial reporting review process; however, they do not address requirements for carrying out fiscal desk reviews. Best practices suggest that a fiscal desk review should be performed on a risk-based sample population of subrecipients, at a minimum. Historically the City has contracted with an outside CPA firm to conduct certain aspects of fiscal monitoring including performing reviews of documented internal controls and performing assessments of administrative capacity; however, due to City budget adjustments this contract was terminated in the Summer of 2020. Additionally, it did not appear that the City had consistently included fiscal desk reviews as part of previous fiscal monitoring processes. As a result, we performed a fiscal desk review on the full population of 19 agencies and 35 programs. During these desk reviews, we performed detailed expenditure testing of \$987,992 (13%) of the total HSGP funding provided to the community during FY 2020–2021. Based on the program findings detailed below, Moss Adams assigned a risk rating to each HSGP-funded agency. The risk thresholds identified in the table below (and detailed in Appendix B) are based on our experience performing subrecipient monitoring and fiscal desk reviews for similarly sized organizations and funding sources.

Risk Rating	Criteria	# of Agencies
Low Risk	The agency either had no findings or the findings could be easily cleared via further inquiry and follow-up.	15
Medium Risk	The agency was unable to provide some of the support required; however, there is minimal risk that unsubstantiated/unallowable costs may be found in the expenditures paid for by the City if a 100% deep-dive desk review is performed.	2



Risk Rating	Criteria	# of Agencies
High Risk	The agency was not able to provide documented support after follow-up. There is a high risk that unsubstantiated/unallowable costs may be found in the expenditures paid for by the City if a 100% deep-dive desk review is performed.	2

During the fiscal desk reviews, we selected a sample of 10 to 15 expenditures from each of the programs and requested all underlying support documentation (e.g., timesheets, paystubs, POs, proof of payment, etc.) available. We assessed the support provided to determine whether programs were retaining underlying support; expenditures appeared reasonable, allowable, and allocable for the purpose of the funding received; and minimum internal controls appeared to be in place for approval of expenditures incurred and disbursements made. As a result of the detailed expenditure testing performed, we identified several instances where expenditures were not supported and/or costs did not appear to be allowable under the award. Specifically, we identified the following in relation to testing of the 35 programs:

Financial Report Reconciliation Findings

- Thirty programs did not have any financial report reconciliation findings, accounting for \$6.4 million (82%) of the sample population.
- Four programs have financial report reconciliation findings, where we were unable to fully reconcile the financial reports to the GL; in each case, the program reported more expenditures in the GL provided than what was reported in the financial reports, and indicated that the GL contained program expenditures paid from both City and non-City funding sources. These findings received a low-risk rating (see Appendix B) and were associated with programs accounting for \$1.4 million (18%) of the sample population. However, the programs did not have any additional findings related to the detailed expenditure testing performed as part of the financial desk audit process.

Financial Desk Audit Findings

- Twenty-three programs did not have any financial desk audit findings, accounting for \$494,367 (50%) of the sample population.
- Eleven programs have financial desk audit findings related to various testing criteria, accounting for \$263,845 (27%) of the sample population.

The table below provides a high-level summary of the financial desk audit findings detailed in Appendix B. The amounts below do not imply that a program was missing all supporting documentation to show compliance with testing criteria, but rather some of the required/expected documentation to support an expenditure could not be provided. Depending on the number of unsupported expenditures and the extent of the lack of documentation, this could indicate ineligible or unallowable costs were incurred and may be medium- or high-risk. The risk ratings associated with each finding ranged from low to high, as also seen in Appendix B.



Financial Desk Audit Findings	Criteria	# of Programs	Amount / % of Sample Population
All Expenditures Did Not Have Documented Support	Did not provide all supporting documentation for each expenditure by the stated deadline, indicating that there may be unsubstantiated and unallowable costs incurred	9	\$230,969 (23%)
All Support Provided Did Not Agree to Approved Budget / Financial Reporting	Did not provide supporting documentation which indicated how the expenditure tied to an approved budget/financial reporting line item.	3	\$92,576 (9%)
All Expenditures Did Not Have Documented Approval	Did not provide supporting documentation that indicated approval was obtained prior to the expenditure being incurred or paid.	11	\$263,500 (27%)
Allocation Methodology Was Not Provided	Did not provide support clearly identifying an allocation methodology for the various expenditure types allocated to the City awarded funds	4	\$53,767 (5%)
All Payment Support Was Not Provided	Support indicating that payments were approved and disbursed to the correct vendor were not provided.	4	\$92,698 (9%)

Follow-Up on Program Corrective Actions

As part of the desk review process, a letter should be issued by the City to each program that includes the procedures performed, and any findings identified. The letter will also include recommendations of corrective actions that should be taken to address the findings. The City should work with each agency to ensure that corrective actions are taken to address all findings identified. Examples of corrective actions that will be required by agencies are:

- Reconciling the financial reports to the GL detail reports and submitting updated financial reports, if needed
- Assessing each expenditure finding to identify whether additional supporting documentation or written justification can be provided to properly support the use of City funds
- Documenting allocations applied and clearly identifying the amounts allocated to City awards

The City should amend the current process of following up with agencies to include connecting on a regular basis to ensure that corrective actions associated with the findings detailed in this report are implemented. This can be accomplished either through performing follow-up fiscal desk reviews after a period of time has passed to allow for corrective actions to be implemented. Additionally, the City should continue to require that agencies submit a formal written response to the findings certifying that all findings have been addressed and that corrective actions have been implemented to ensure compliance going forward. The City should evaluate any findings that cannot be resolved



after a corrective action period to determine if any expenditures remain unsubstantiated or unallowable and should be potentially reimbursed to the City.

Update/Consolidate P&P

As a best practice, the City should develop detailed subrecipient monitoring P&P which may consolidate the processes covered in the City's current Fiscal Site Visits, Program Site Visits, and Status Reporting P&Ps. Additionally, inclusion of P&P specifically related to performing fiscal desk reviews should be developed and include the following areas, consistent with best practices:

- Risk assessments
- Agency/program desk review selection process
- Expenditure sampling methodology
- Required supporting documentation
- Desk review testing process
- Desk review outcomes documentation and agency notification
- Corrective action follow-up and tracking

The City should develop a process for how findings from fiscal desk reviews will be tracked and how the City will ensure that corrective actions are taken. This may include performing follow-up fiscal desk reviews and/or developing a process to utilize the results of prior fiscal desk reviews to inform the risk assessment process and to determine the frequency and level of fiscal desk reviews performed for each program.

Provide Technical Assistance and Training

The City should consider developing an ongoing technical assistance and/or training program for agencies to ensure risk of unsubstantiated or unallowable costs is mitigated through development and understanding at each agency and within each City-funded program. While developing and implementing ongoing technical assistance and/or a training program will require City funding to accomplish, it can ultimately result in time savings in future reporting periods and reduce the quantity of findings during fiscal desk reviews. In working with each agency throughout the desk review process, we found that there was limited training provided to agencies regarding City-specific requirements and that this type of fiscal desk review had not been previously conducted by the City. The lack of previous training, and the lack of previous fiscal desk reviews being performed, led to significant confusion around the documentation requests related to each fiscal desk review and how the agency and programs could obtain and provide the required supporting documentation. This gap in knowledge appears to be attributed to several factors including, staff turnover at the agencies, industry strains due to the COVID-19 pandemic, and the length of the funding period that enveloped the period of review (eight years versus the one to two years typically seen). Providing technical assistance and/or training programs to agencies on the front end of City funding being provided would allow the agencies to better understand the requirements prior to incurring expenditures.



During the desk review process, we provided a substantial amount of technical assistance to agencies to help them understand what should be maintained to support program expenditures and it was evident that they wanted to understand the requirements and implement processes and controls to ensure they could meet them going forward. If technical assistance is provided on a regular and ongoing basis going forward, the quantity of findings, by program, would likely be reduced. Refer to Recommendation #3 for more information.

Site Visits – Participant File Reviews

2.	Observation	Some agencies could not provide certain participant file documentation during the file review process. In addition, the City’s current site visit process is time-intensive and demanding for both program personnel and HSGP personnel, and there are opportunities to reduce programmatic monitoring redundancies and gain efficiencies and maintain oversight standards.
	Recommendation	Develop a process to follow up with agencies on a set schedule to ensure corrective actions are implemented and conduct a review of the current site visit processes and identify where there may be overlap with the programmatic reporting process or opportunities to reduce redundancy in the review process.

The City’s current Programmatic Site Visit P&P requires that an external consultant be used to conduct the site visits during two set periods each year, where agencies will be selected on a rotating basis ensuring that all agencies are reviewed at least once every two years. As part of this process, a participant file review is required, which includes approximately 10% of active participant files and 5% of closed/inactive participant files. Additionally, per the City’s pilot site visit documentation, for each participant file selected, they are required to document whether each file includes the participant’s minimum eligibility documentation, signed acknowledgement documentation, and other documentation based on the program. Refer to Section II for further detail on specific requirements.

Given the extensive nature of the City’s site visit procedures, and because participant eligibility is a crucial component to the execution of City-funded programs, we agreed to limit our procedures to participant file reviews and evaluating key functions affecting financial reporting and metric tracking, as they affect specific funding compliance requirements. As such, process and program effectiveness were not evaluated as part of this project.

We selected a sample of six agencies for participant file review (32% of the total agency population), which included 17 programs (49% of the total program population). Agencies were judgmentally selected ensuring that coverage included the three largest grantees (Connections for Children, The People Concern, and WISE & Healthy Aging California) as well as three agencies that received smaller funding amounts. For each program, we selected a random sample of five active participant files and five closed/inactive participant files.

Based on the participant file reviews performed, most programs were meeting the requirements for documenting participant eligibility, obtaining other required forms/documentation, and adhering to file retention requirements. For those programs that support at-risk or protected populations (i.e.,



domestic abuse survivors, at-risk minors, etc.), we did not do a file review; however, we did perform inquiries and walkthroughs to obtain an understanding of how the program implements the City's participant file requirements. Based on our review of samples of 120 participant files for the 17 programs, we identified the following instances of incomplete documentation:

- Three instances, across two agencies, where documentation to support participant eligibility was not on file
- One instance where participant file closure documentation was incomplete
- One instance where a program was not able to provide any participant file documentation for testing

See Appendix C for further detail of testing criteria and specific findings, by agency and program, that were selected for participant file reviews.

Follow-Up on Program Corrective Actions

As part of our review process, for those agencies selected for participant file review, a portion of the letter issued by the City will be dedicated to procedures performed and any findings identified related to participant file reviews. The letter will include specific recommendations and corrective actions that should be taken to address the findings. The City should work with each agency to ensure that corrective actions specific to participant files are addressed. See Recommendation #1 for further detail on follow-up on corrective actions.

Evaluate Existing Program Site Visit P&P

The City's current site visit process is comprehensive and includes more than what is typically reviewed as part of ongoing programmatic monitoring as a best practice. The current review process includes extensive review of staffing and job descriptions, board involvement, organizational capacity and structure, and facility condition. It is uncommon to see detailed reviews performed by funders related to board involvement or the level of comprehensive review of staffing and organizational capacity. In general, this organizational level of review is performed during the application process only, not necessarily on an ongoing basis as part of recurring site visits.

Given our procedures related to site visits were limited to evaluating participant files and performing high-level walkthroughs, the City should conduct a review of the current site visit processes and identify where there may be overlap with the programmatic reporting processes already being performed both during the funding application and biannual reporting processes. There are likely additional opportunities for comparing current programmatic monitoring to best practices to potentially reduce the redundancy of requests from grantees and duplicative efforts of HSGP personnel. We recommend specifically reviewing the processes surrounding:

- Staffing and Organizational Structure/Capacity
- Board Involvement
- Facility Conditions



Provide Technical Assistance and Training

The City should consider developing ongoing technical assistance and/or templates to help agencies ensure that minimum participant file requirements are being met. In implementing technical assistance and training for agencies, as recommended in #1 above, the City should also address specific requirements for maintaining compliance with participant files. Best practices suggest providing grantees with file checklists to detail out the specific requirements surrounding eligibility, or other file documentation, and records retention are critical in documentation compliance.

See Recommendation #3 for more information.

Agency Staffing and Technical Assistance

3.	Observation	Agencies required a significant amount of technical assistance and training to comply with the requirements of City funding and the documentation that must be provided to support the monitoring process. Most agencies missed one or multiple due dates established during the monitoring process.
	Recommendation	Evaluate reporting requirements to identify opportunities for reduction in requirements based on past performance and provide regular technical assistance to agencies.

Best practices in managing grantee relationships and supporting required monitoring of funds disbursed to community partners recommend providing some level of technical assistance and training to grantees at the time of award. In addition, depending on the technical capabilities and capacity of grantees, technical assistance and training are often provided throughout the program period.

As part of this project, we spent significant time with agencies and program personnel ensuring that the documentation being requested and the requirements supporting our requests were understood. This included providing one-on-one technical assistance sessions with various agencies to ensure that GL reporting, supporting documentation such as POs and timesheets, documentation of approval processes, and P&Ps could be provided. In those cases where an agency could not initially provide required support, additional time had to be spent walking them through the processes of accounting for, approval of, and disbursements of expenditures related to City funds. In many cases, grantees did not adhere to documentation request due dates and the City approved extended due dates, which resulted in several follow-up requests and additional one-on-one technical assistance sessions to support the grantees in obtaining the required documentation. Based on our meetings and communication with agencies and program personnel, it was apparent that a contributing factor was increased turnover and decreased staffing levels, as well as a lack of staffing capacity to provide what was being asked for in the timeframe provided.

While HSGP personnel currently provide regular one-on-one opportunities with agencies to navigate the development of program plans, mid-year and year-end reporting, and budget modifications, similar to those described above performed by Moss Adams, they currently do not provide formal technical assistance trainings and/or webinars for all grantees to attend. In these



instances, each grantee would receive the same communications at the same times utilizing a structured presentation, such as PowerPoint, and where the sessions could be recorded and available to grantees for continued reference throughout the life of the City-funded program(s).

Refer to Recommendation #5 for additional observations and recommendations related to City technical assistance for agency and program personnel.

As a team, both Moss Adams and HSGP personnel were committed to ensuring that agencies understood what was being asked of them and why, and what lack of support or pieces of supporting documentation could mean for their reporting and funding. There was consensus that the additional time necessary to help train and support agencies throughout this process was warranted. As such, we identified themes of technical growth areas at the agencies as well as ways in which the City could support staffing shortages and compliance through reduced, but still comprehensive reporting requirements. A summary of these themes is presented below:

- Reduced reporting requirements for agencies who have no or minimal compliance concerns or findings in ongoing reporting, desk reviews, or site visits
- Periodic City training and technical assistance sessions focused on the City reporting and documentation requirements and expectations
- Evaluate options for the potential for increased funding to support agencies in hiring qualified staff by increasing compensation to account for inflation and cost of living increases



IV. HSGP MONITORING PROGRAM OBSERVATIONS AND RECOMMENDATIONS

The City’s HSGP monitoring processes are extensive and include monitoring of both programmatic and fiscal monitoring requirements. The City currently has 12 P&Ps related to the fiscal and programmatic oversight for HSGP programs. The P&Ps are focused on the requirements of City staff to carry out grant management and grantee monitoring. They specify how the City should be conducting grantee monitoring for each agency and program, at least once every two years, on a rolling basis and that the monitoring should include both programmatic and fiscal monitoring. Additionally, the City has developed comprehensive templates to facilitate agency financial and programmatic reporting and review/monitoring templates for City personnel to utilize in performing program desk reviews and site visits. Ongoing monitoring is conducted twice each year to ensure that funds are being spent as expected, and that expenses reported appear allowable and reasonable.

As part of our planning process, we conducted walkthroughs with HSGP personnel to gain a better understanding of how these P&Ps were implemented and how personnel currently interact and connect with agencies. We also obtained feedback on where the City has struggled to complete monitoring during the last several years, specifically during the COVID-19 pandemic.

Based on the information gathered, we developed a planned methodology and approach to complete the grantee monitoring process, which would allow us to execute the required monitoring, gather feedback through agencies and programs survey responses, and provide recommendations based on our experience and subject matter expertise. We gathered this information as described in Section II above.

Below are the detailed observations and recommendations related to the HSGP monitoring program based on the information gathered, procedures performed, and best practices.

Grantee Monitoring Program

4.	Observation	Although the City has developed comprehensive procedures for grantee reporting and monitoring, the extensive requirements and templates developed appear cumbersome and time intensive for both HSGP personnel and agency staff.
	Recommendation	Streamline reporting and monitoring processes to reduce the information collected to specifically pertain to the use of City funds and program execution. Consider developing tools and updating processes to increase the efficiency of program reporting and City reviews. This may include engaging with an external consultant to aid in the development, execution, and reporting of ongoing monitoring processes for the City.



Current State of HSGP Monitoring Program

The City's requirements for ongoing monitoring and review are extensive and comprehensive, as outlined below, but appear to be potentially overly burdensome to HSGP personnel and agency staff. The current processes were developed during 2019 and were piloted in early 2020 by HSGP personnel; however, due to the ongoing COVID-19 pandemic, grantee monitoring processes were paused, and the pilot site visit program never took off. As such, Moss Adams utilized the P&Ps and templates developed by HSGP as a starting place for developing the grantee monitoring procedures that would be performed. Prior to the Summer of 2020, the City contracted with an outside CPA firm to perform extensive grantee fiscal monitoring, with a particular focus on internal controls and administrative capacity, while City staff performed comprehensive programmatic site visits, including review of participant files, key P&P, and facility checks; however, this approach of review did not include a detailed expenditure review as performed by Moss Adams. Below is an outline of the requirements described in the HSGP P&Ps and associated templates for the HSGP.

- **Status Reporting and Monitoring:** The City currently requires programs to complete a fiscal and programmatic status report two times each year including one for activity through June 30 (to align with the City's fiscal year-end) and one for activity through December 31. As part of this process, programs are required to complete detailed financial and programmatic reporting. A description of each of these reporting requirements is provided below:
- **Fiscal Status Report:** This report includes line-item reporting, based on the program's approved budget, for each category approved utilizing City funds, as well as non-City-funded budgets, as the City requires a 30% match for each of their programs. This report requires line-item accounting for the fiscal year's cash-match contributions and uses expenses and grantee demographic reporting in the form of projected versus actual outreach numbers.
- **Programmatic Status Report:** This report includes a comprehensive reporting requirement that includes detailed descriptions of programmatic accomplishments, challenges, and changes since the last reporting period, as well as assessment of program participant involvement and board involvement, staffing, program demographics, program services and outcomes, and any special funding conditions/provisions.
- **Site Visits:** The City requires that staff conduct programmatic site visits during two set periods each year, where agencies will be selected on a rotating basis ensuring that all agencies are reviewed at least once every two years. This process also considers any findings during prior reviews or status reporting, the consideration of any heightened potential for fraud, and additional monitoring due to the source of funding. Site visits should include a review of any relevant financial and programmatic reporting completed during the review year, as well as review of the following:
 - Staffing and job descriptions
 - Outreach and marketing materials
 - Eligibility criteria
 - Intake forms
 - Client satisfaction surveys
 - Grievance forms and reporting procedures
 - Contractual documents relevant to the review, including subcontracts or subrecipients paid through City funds

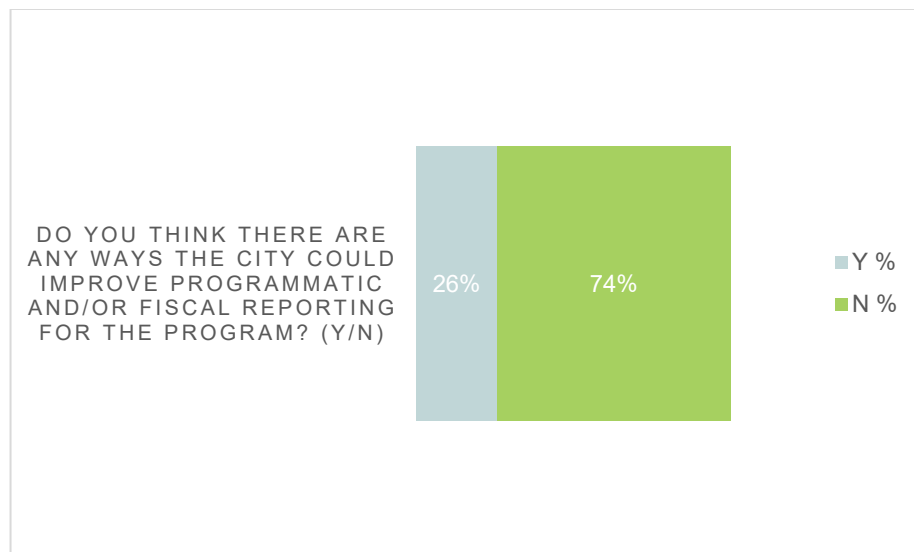
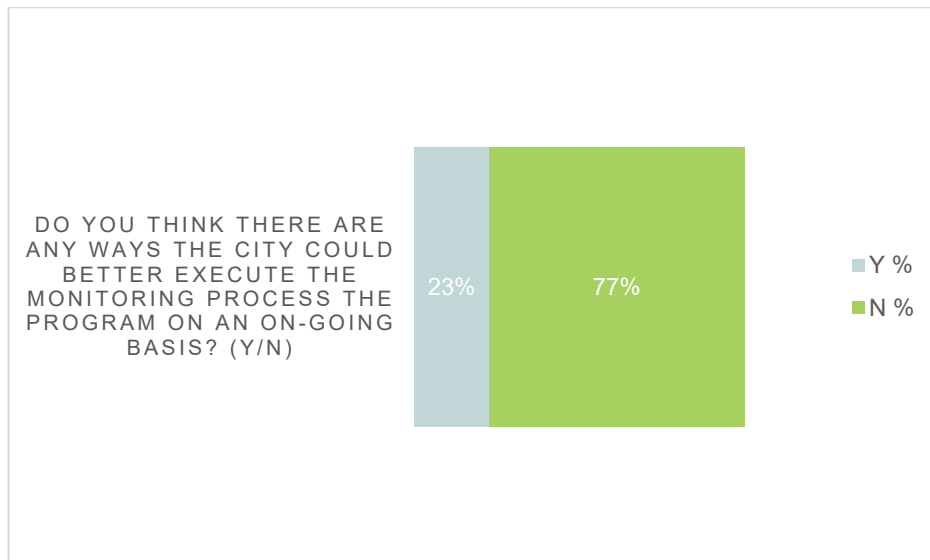


- Organizational capacity and structure
- Client/participant case file reviews

HSGP Grantee Monitoring Program – Agency Feedback

As part of the survey conducted, described in Section II, we gathered feedback from agencies and programs regarding the City’s current monitoring processes and solicited input on where the City is doing well and where there were opportunities for improvement. Approximately 76% of programs did not indicate that there were ways in which the City could better execute or streamline the monitoring and reporting processes currently being utilized; however, 24% of programs indicated there were opportunities for improvement in the City’s processes. Two programs did not respond to the survey.

Presented below are the individual survey questions that aimed to gather feedback on the City’s current monitoring and reporting processes, and the responses received.





Reporting and Monitoring Feedback Themes

In the survey, agencies could provide feedback in the form of comments. Below is a summary of the themes identified in the feedback provided regarding where the City could potentially improve current reporting and monitoring processes:

- The City is continually communicating with agencies and programs via one-on-one connections as well as City attendance at program meetings; however, agencies and programs are seeking opportunities to utilize these meetings to support monitoring activities, such as dialogue related to programmatic concerns, financial barriers, etc.
- Reports are long and overly detailed, specifically in areas where City funding does not directly impact the outcome (i.e., board involvement).
- There is a desire to streamline the reporting process so programs that did not have any significant changes or variances since the mid-year reporting (December) may not have to do as extensive year-end (June) reporting. Additionally, consider ways to include prior reporting period information in the current period, in order to streamline the reporting of changes and updates.

Recommendations and Opportunities for Improvement

The City has created pathways for much needed funding to get into the community; however, through an effort to create comprehensive and detailed monitoring processes, they have created a time-intensive and demanding process both for the agencies and programs they support. Given the City no longer has dedicated funding to utilize an external CPA firm to perform these procedures, the current process also created a time-intensive and demanding process for City personnel to execute along with necessary and critical day-to-day agency support and monitoring.

The frequency of reporting and site visits appear appropriate and consistent with best practices, and it is typical to obtain financial reporting by category/line item to ensure that funds are being expended in accordance with the grant award and approved budget; however, the level of detail included in the programmatic reporting could be reduced. The level of programmatic reporting detail required is much greater than typically seen in like-sized organizations with similar funding types that are meant to ensure that programmatically the funds are meeting the intended purpose and mission.

In reviewing the P&Ps and site visit templates provided by the City, it appears there is extensive due diligence placed on the review of facilities and file reviews to support program reported achievements, barriers, and outcomes. Given the level of detail required in the programmatic reporting, the City should consider reducing the amount of review that is required during the site visits, as well as consider the level of detail required in the narrative programmatic reporting. It is not typical to require narrative reporting on organizational structure and board involvement, as well as to require demographic reporting both in the fiscal and programmatic status reporting.

To streamline these processes and gain efficiencies, the City should consider the feedback themes that were provided by programs (identified above) as well as best practices. This could include:

- Implementing a reporting tool and/or mechanism that would allow programs to report either electronically in a system that houses all prior reporting or reducing the amount of detail included in the reporting. This could include the removal of organizational and board involvement reporting and duplication of demographic reporting and removal of the review of staffing and job descriptions, as that information is typically included in the application package.



- Developing a tool and/or templates that will allow prior reporting to carry over to the next reporting period, streamlining the updates and changes to be made by programs. If programs had access to prior data and information reported, at the time of current period reporting, it could gain significant efficiencies on both the program reporting side and on the HSGP reporting side.
- Tracking the results of all fiscal and programmatic report reviews and outcomes of previous desk reviews and site visits and utilizing these results to scale up or down subsequent reporting or desk reviews and site visit requirements. For instance, if a program has consistently reported timely, in line with their approved budget, and unallowable or non-compliant expenses have not been identified with no significant findings during their last site visit, then the program may potentially be considered for reduced requirements for subsequent reporting periods or less detailed desk reviews and/or site visits. For those well-performing programs, they would focus on any chances since the last reporting period or site visit and assessing the impact of those changes to guide what monitoring procedures the City should perform.
- Implementing a risk-based sample methodology for selecting expenditures and participant files for review. For example, rather than reviewing each participant’s files for all intake forms, client satisfaction surveys, and grievances, the City could elect to review those documents as part of the participant case file review for a select population of participant files.

Additionally, the City should consider if funding could be provided to contract with an external organization (i.e., public accounting firm, consulting firm/agency, other), which can provide the necessary monitoring and expertise to ensure that City funds continue to be used responsibly, and programs are run efficiently while accomplishing their intended mission. External consultants would allow the required monitoring and necessary technical support to be scaled up or down to meet the needs of a specific agency, program, and City provided funding in a given year. By engaging with an external consultant, the City would provide value add to their communities and reduce the time strain on City personnel, as well as provide transparency and objectivity to the process that the City’s leadership and residents are looking for in the operation of these programs and the use of City funds.

Agency Technical Assistance

5.	Observation	While the City has current policies in place to provide agencies and City-funded programs technical assistance, this technical assistance is provided on demand, by request only, and does not include training for all City-funded agencies.
	Recommendation	To improve the quality of reporting and support provided by agencies and City-funded programs, consider developing either City-specific or program-specific technical assistance processes and/or trainings.

The City’s current processes for agency technical assistance states that grantee agencies will be notified regularly of technical assistance opportunities available, and the City will provide recommendations for specific resources and support to agencies. Additionally, the City’s current policy states that there is a small amount of funding set aside for agency technical assistance to aid agencies in receiving professional development trainings. Although this limited resource is available



to agencies with City-funded programs, it appears that the City currently provides one-on-one technical assistance, as needed and when requested; however, there is no formal process to ensure that common barriers or questions are addressed across City-funded programs to ensure that program staff understand requirements.

As a result of the COVID-19 pandemic and an increase in government relief funding, not-for-profits have faced increased turnover, low staffing levels, and challenges filling vacancies. According to a 2021 survey conducted by the National Council of Nonprofits, nonprofits reported that salary competition (79%) and lack of childcare (23%) were major impacts to their ability to retain current staff and hire/backfill empty positions. Of the 1,000 survey respondents, 42% stated they had a vacancy rate of over 20%. Additionally, themes identified as part of the survey highlighted that the funding amounts provided by the City may not be adequate to support the actual needs of agencies to fully staff and operate the programs as expected. Although the City may not be able to increase the funding amounts granted to each program, they should consider developing technical assistance opportunities or ongoing “office hours” for agency and program personnel to ensure that requirements are understood and that the programmatic and fiscal expectations are attainable, thus increasing the quality and accuracy of reporting provided.

Given many of the agencies have received renewal funding from the City for these programs year over year, the City operates with the expectation that agencies maintain a baseline understanding of all reporting and monitoring requirements expected of City-funded programs. However, with the large amount of turnover and low staffing levels seen in the not-for-profit industry due to COVID-19 and based on feedback provided from agencies during the execution of these reviews, it is clear that City-funded programs were also affected by these staffing factors and therefore many have a limited understanding of requirements and best practices. As such, we spent a significant amount of time providing one-on-one technical assistance to agencies related to City requirements and grant administration and accounting best practices. This experience is largely consistent with the level of effort regularly required by City staff to provide on-demand support to grantees in meeting standard program and fiscal reporting requirements. While it was clear that agency personnel had capable staff to fulfill the requests once technical assistance had been provided, new staff, in particular, did not always have a baseline knowledge of the minimum City requirements or the bandwidth to respond to requests timely. Refer to Recommendation #3 for more information.

To improve the quality of reporting and support provided by agencies and City-funded programs, the City should consider developing either City-specific or program-specific technical assistance processes and/or trainings. This technical assistance could include monthly or periodic training sessions and “office hours” where the HSGP personnel assist agencies and/or programs in:

- Determining how to track and monitor funds received and expenditures incurred given the systems and tools they have
- Determining how funds received were spent and how those expenditures have been reported
- Evaluating the specific supporting documentation that should be maintained to support their expenditures and walking through the support they have available

Additionally, the City could leverage the use of an outside consultant, as referenced in Recommendation #4 above, to aid in providing technical assistance to agencies both programmatically and fiscally, ensuring that requirements are well documented and communicated, and enhancing the efficiency and effectiveness of the programs City funds are administering.



APPENDIX A: SURVEY RESPONSES

The table below summarizes the outcomes of the program survey.

Agency	Program	Annual Audit (Y/N)	Annual Audit Findings (Y/N)	Grant Management P&Ps (Y/N)	Financial/Accounting P&Ps (Y/N)	Program Specific P&Ps (Y/N)	Accounting System, Allowing for Tracking of Funds Separately (Y/N)	Cash Match of at least 30% (Y/N)	Job Descriptions on File and Updated (if applicable) (Y/N)	Prior of Subcontractors/ Subrecipients (if applicable)
Boys and Girls Club	Out of School Time Enrichment	Y	N	Y	Y	Y	Y	N	Y	Y
Chrysalis	Santa Monica Employment Center	Y	N	N	Y	Y	Y	Y	Y	N/A
Connections for Children	Santa Monica Early Education	Y	N	Y	Y	Y	Y	Y	Y	N/A
Family Services of Santa Monica	Community Mental Health	Y	N	N	Y	Y	Y	N	Y	N/A
	Early Childhood Wellbeing					Y		N	Y	N/A
	Edison, Muir, McKinley, SAMOHI Schools					Y		Y	N/A	
Growing Place	Marine Park	Y	N	N	Y		Y	Y	Y	N/A
Hospitality Training Academy	Jobs Initiative Program	Y	N	Y	Y	Y	Y	Y	Y	N/A
Jewish Vocational Services	Santa Monica Youth Employment Program	Y	N	Y	Y	N	Y	N	Y	N/A



Agency	Program	Annual Audit (Y/N)	Annual Audit Findings (Y/N)	Grant Management P&Ps (Y/N)	Financial/Accounting P&Ps (Y/N)	Program Specific P&Ps (Y/N)	Accounting System, Allowing for Tracking of Funds Separately (Y/N)	Cash Match of at least 30% (Y/N)	Job Descriptions on File and Updated (if applicable) (Y/N)	Prior of Subcontractors/ Subrecipients (if applicable)
Legal Aid Foundation of Los Angeles	Domestic Violence Clinic	Y	N	Y	Y	N	Y	Y	Y	N/A
	General Community Legal Services					N				
The People Concern	Access Center	Y	N	Y	Y	Y	Y	Y	Y	N/A
	Cloverfield Services Center					Y				
	Interim Housing and Wellness					Y				
	Sojourn Services					Y				
Providence St. John's Health Center	Youth Development	Y	Y	Y	Y	Y	Y	Y	Y	N/A
Santa Monica College	Pico Partnership	Y	N	Y	Y	N	Y	Y	Y	N/A
Saint Joseph's Center	Santa Monica Retention Program	Y	N	Y	Y	Y	Y	Y	Y	N/A
	YRT Collaborative					Y			Y	
Step Up on Second	Sanctuary	Y	N	Y	Y	N	Y	Y	Y	N/A
Venice Family Clinic	Common Ground	Y	Y	Y	Y	N	Y	Y	Y	N/A
	Primary Health Care Services					N			Y	
	SAMOHI Wellness Center					N			Y	Y



Agency	Program	Annual Audit (Y/N)	Annual Audit Findings (Y/N)	Grant Management P&Ps (Y/N)	Financial/Accounting P&Ps (Y/N)	Program Specific P&Ps (Y/N)	Accounting System, Allowing for Tracking of Funds Separately (Y/N)	Cash Match of at least 30% (Y/N)	Job Descriptions on File and Updated (if applicable) (Y/N)	Prior of Subcontractors/ Subrecipients (if applicable)
Disability Community Resource Center (DCRC)	Home Access Program Independent Living	Y	N	Y	Y	Y	Y	Y	Y	Y
Westside Food Bank	Emergency Food Distribution	Y	Y	Y	Y	Y	Y	Y	Y	N/A
WISE & Healthy Aging (WISE)	Senior Peer Counseling	Y	N	N	Y	N	Y	Y	Y	N/A
	Congregate Meals					N		N	N	
	Adult Day Service Center					Y		Y	N/A	
	Care Management					Y		Y	N/A	
	Paratransit					N		Y	N/A	
CLARE Matrix	Clarity for Youth	Y	N	Y	Y	No Response	Y	Y	No Response	No Response
	Coordinated Case Management					No Response			No Response	
Meals on Wheels	Delivering More Than a Meal	Y	N	N	Y	Y	Y	Y	Y	N/A



APPENDIX B: DESK REVIEW OUTCOMES

The table below summarizes the outcomes of the desk reviews performed and the findings by agency and program. The risk thresholds identified below are based on our experience performing subrecipient monitoring and fiscal desk reviews for similarly sized organizations and funding sources.

Legend	Criteria
Low Risk	The agency either had no findings or the findings could be easily cleared via further inquiry and follow-up.
Medium Risk	The agency was unable to provide some of the support required; however, there is minimal risk that unsubstantiated/unallowable costs may be found in the expenditures paid for by the City if a 100% deep-dive desk review is performed.
High Risk	The agency was not able to provide documented support after follow-up. There is a high risk that unsubstantiated/unallowable costs may be found in the expenditures paid for by the City if a 100% deep-dive desk review is performed.

Funded Agencies	Agency Programs	Financial Report Reconciliation Findings (Y/N)	Financial Desk Audit Findings (Y/N)	All Expenditures Had Documented Support (Y/N)	All Support Provided Agreed to Approved Budget / Financial Reporting (Y/N)	All Expenditures Had Documented Approvals (Y/N)	Allocation Methodology Provided (Y/N)	All Payment Support Provided (Y/N)	Risk Rating	Follow-Up
Boys & Girls Club of Santa Monica (BGC)	Out of School Time Enrichment	N	Y	N	Y	Y	N	Y	Low Risk	No additional support required; finding is low risk.
Chrysalis	Santa Monica Employment Center	N	N	Y	Y	Y	Y	Y	Low Risk	No additional support required; finding is low risk.



Funded Agencies	Agency Programs	Financial Report Reconciliation Findings (Y/N)	Financial Desk Audit Findings (Y/N)	All Expenditures Had Documented Support (Y/N)	All Support Provided Agreed to Approved Budget / Financial Reporting (Y/N)	All Expenditures Had Documented Approvals (Y/N)	Allocation Methodology Provided (Y/N)	All Payment Support Provided (Y/N)	Risk Rating	Follow-Up
CLARE Foundation	Clarity for Youth	N	Y	N	N	N	Y	N	High Risk	Documentation was not provided. No desk review could be performed.
	Coordinated Case Management	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Connections for Children (CFC)	Santa Monica Early Education	N	N	Y	Y	Y	Y	Y	Low Risk	No additional support required.
Family Services of Santa Monica (FSSM)	Community Mental Health	N	Y	N	Y	N	Y	Y	Medium Risk	The agency was unable to provide timesheets for some of the payroll related samples selected, as well as documented approvals of expenditures.
	Early Childhood Wellbeing	N	Y	N	Y	N	Y	N		
	Edison, Muir, McKinley, SAMOHI Schools	N	N	Y	Y	Y	Y	Y		
Growing Place (GP)	Marine Park	N	N	Y	Y	Y	Y	Y	Low Risk	No additional support required.



Funded Agencies	Agency Programs	Financial Report Reconciliation Findings (Y/N)	Financial Desk Audit Findings (Y/N)	All Expenditures Had Documented Support (Y/N)	All Support Provided Agreed to Approved Budget / Financial Reporting (Y/N)	All Expenditures Had Documented Approvals (Y/N)	Allocation Methodology Provided (Y/N)	All Payment Support Provided (Y/N)	Risk Rating	Follow-Up
Hospitality Training Academy (HTA)	Jobs Initiative Program	N	Y	Y	Y	N	Y	Y	Low Risk	The agency provided support for all samples selected; however, in 4 of the 15 samples selected, approval was not documented on the support provided.
Jewish Vocational Services (JVS)	Santa Monica Youth Employment Program	N	N	Y	Y	Y	Y	Y	Low Risk	No additional support required.
Legal Aid Foundation of Los Angeles (LAFLA)	Domestic Violence Clinic	N	Y	N	Y	N	Y	Y	Medium Risk	The agency was unable to provide timesheets for the payroll related samples selected; however, sample selected was for a terminated employee.
	General Community Legal Services	N	Y	N	Y	N	Y	Y		
Meals on Wheels West (MOWW)	Delivering More Than a Meal	N	N	Y	Y	Y	Y	Y	Low Risk	No additional support required.



Funded Agencies	Agency Programs	Financial Report Reconciliation Findings (Y/N)	Financial Desk Audit Findings (Y/N)	All Expenditures Had Documented Support (Y/N)	All Support Provided Agreed to Approved Budget / Financial Reporting (Y/N)	All Expenditures Had Documented Approvals (Y/N)	Allocation Methodology Provided (Y/N)	All Payment Support Provided (Y/N)	Risk Rating	Follow-Up
The People Concern (TPC)	Access Center	Y	N	Y	Y	Y	Y	Y	Low Risk	No additional support required; however, we were unable to fully reconcile the financial report to the GL detail provided.
	Cloverfield Services Center	Y	N	Y	Y	Y	Y	Y		
	Interim Housing and Wellness	Y	N	Y	Y	Y	Y	Y		
	Sojourn Services	Y	N	Y	Y	Y	Y	Y		
Providence Saint John's Health Center (PSJ)	Youth Development Project (YDP)	N	Y	N	Y	N	Y	Y	Low Risk	No additional support required.
	Child/Youth Development Project (CDP)	N	Y	N	Y	N	Y	Y		
Saint Joseph's Center (SJC)	Santa Monica Retention Program	N	Y	N	N	N	N	N	High Risk	The missing invoice support was not provided for five samples as well as documentation regarding the allocation methodology.
	YRT Collaborative	N	Y	Y	N	N	N	N		



Funded Agencies	Agency Programs	Financial Report Reconciliation Findings (Y/N)	Financial Desk Audit Findings (Y/N)	All Expenditures Had Documented Support (Y/N)	All Support Provided Agreed to Approved Budget / Financial Reporting (Y/N)	All Expenditures Had Documented Approvals (Y/N)	Allocation Methodology Provided (Y/N)	All Payment Support Provided (Y/N)	Risk Rating	Follow-Up
Santa Monica College (SMC)	Pico Partnership	N	N	Y	Y	Y	Y	Y	Low Risk	No additional support required.
Step Up on Second (SUOS)	Sanctuary	N	N	Y	Y	Y	Y	Y	Low Risk	No additional support required.
Venice Family Clinic (VFC)	Common Ground	N	N	Y	Y	Y	Y	Y	Low Risk	No additional support required.
	Primary Health Care Services	N	N	Y	Y	Y	Y	Y		
	SAMOHI Wellness Center	N	N	Y	Y	Y	Y	Y		
Disability Community Resource Center (DCRC)	Home Access Program Independent Living	N	N	Y	Y	Y	Y	Y	Low Risk	No additional support required.
Westside Food Bank (WSFB)	Emergency Food Distribution	N	N	Y	Y	N	N	Y	Low Risk	No additional support required.



Funded Agencies	Agency Programs	Financial Report Reconciliation Findings (Y/N)	Financial Desk Audit Findings (Y/N)	All Expenditures Had Documented Support (Y/N)	All Support Provided Agreed to Approved Budget / Financial Reporting (Y/N)	All Expenditures Had Documented Approvals (Y/N)	Allocation Methodology Provided (Y/N)	All Payment Support Provided (Y/N)	Risk Rating	Follow-Up
WISE & Health Aging (WISE)	Senior Peer Counseling	N	N	Y	Y	Y	Y	Y	Low Risk	No additional support required.
	Congregate Meals	N	N	Y	Y	Y	Y	Y		
	Adult Day Service Center	N	N	Y	Y	Y	Y	Y		
	Care Management	N	N	Y	Y	Y	Y	Y		
	Paratransit	N	N	Y	Y	Y	Y	Y		
	Los Angeles Oasis	N	N	Y	Y	Y	Y	Y		
Totals		4	11	9	3	11	4	4		



APPENDIX C: SITE VISITS – PARTICIPANT FILE REVIEW

The table below summarizes the outcomes of the participant file reviews performed as part of the site visit process and the findings by agency and program.

Funded Agencies	Agency Programs	Program Eligibility Verified (Y/N)	Pico and 90405 Verification (Y/N)	Income Verification (Y/N)	Consent for Services (Y/N)	Intake Form OR Registration Form (Y/N)	Acknowledgement of Program Rules (Y/N)	Acknowledgement of Grievance Policy (Y/N)	Proof of Housing Placement (if applicable) (Y/N or N/A)	Client Closure Processes (Inactive files only) (Y/N or N/A)
Connections for Children (CFC)	Santa Monica Early Education	Y	Y	Y	Y	Y	Y	Y	Y	N
The People Concern (TPC)	Access Center	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Cloverfield Services Center	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Interim Housing and Wellness	N	Y	Y	Y	Y	Y	Y	Y	Y
	Sojourn Services	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]
Saint Joseph's Center (SJC)	Santa Monica Retention Program	Y	Y	Y	Y	Y	Y	Y	Y	Y
	YRT Collaborative	Y	Y	N/A	Y	Y	Y	Y	N/A	N/A
Venice Family Clinic (VFC)	Common Ground	Y	Y	Y	Y	Y	Y	Y	N/A	N/A
	Primary Health Care Services	N	Y	Y	Y	Y	Y	Y	N/A	N/A
	SAMOHI Wellness Center	Y	Y	Y	Y	Y	Y	Y	N/A	N/A



Funded Agencies	Agency Programs	Program Eligibility Verified (Y/N)	Pico and 90405 Verification (Y/N)	Income Verification (Y/N)	Consent for Services (Y/N)	Intake Form OR Registration Form (Y/N)	Acknowledgement of Program Rules (Y/N)	Acknowledgement of Grievance Policy (Y/N)	Proof of Housing Placement (if applicable) (Y/N or N/A)	Client Closure Processes (Inactive files only) (Y/N or N/A)
Disability Community Resource Center (DCRC)	Home Access Program Independent Living	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]
WISE & Healthy Aging (WISE)	Senior Peer Counseling	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]
	Congregate Meals	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]
	Adult Day Service Center	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]
	Care Management	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]
	Paratransit	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]
	Los Angeles Oasis	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]
Totals		3	1	1	1	1	1	1	1	2

[1]: Due to the nature of the participants of this program, we did not obtain a listing of participants to select files for review. For this program, we performed a walkthrough with agency personnel to obtain an understanding of the process as well as obtained copies of blank forms and other documentation to ensure they met the minimum City requirements. No findings were identified.

[2]: Due to the nature of the participants of this program, the participant files that would be provided would be heavily redacted. As such, we determined we would conduct a virtual walkthrough of samples selected with agency personnel to obtain an understanding of the process as well as obtained copies of blank forms and other documentation to ensure they met the minimum City requirements. No findings were identified.

[3]: The agency was unable to provide all support required to complete testing for the samples selected.

