

## Management Plan

Update 04-15-09

The Sacramento Housing and Redevelopment Agency (SHRA) administers the Community Development Block Grant Program (CDBG) and the Neighborhood Stabilization Program (NSP) for the City and County of Sacramento

Generally, SHRA is responsible for monitoring activities carried out in furtherance of the Consolidated Plan and One-Year Action Plans, and for ensuring long-term compliance with the requirements of CDBG (24 CFR 91.230). This accountability is not limited to activities implemented directly by the Agency or by the City or County, but applies to the programs and activities carried out by subrecipients/participants. CDBG regulations (24 CFR 570.501) state that the Agency is responsible for determining the adequacy of performance under agreements and procurement contracts, and for taking appropriate action when performance problems arise.

The Director of Finance for SHRA is a certified internal auditor and is responsible for continually examining potentially risky areas of program operations and management, and provides regular and valuable feedback to program managers and the SHRA Executive Team. This feedback controls areas that are not in compliance with program requirements, and ineffective implementation of established policies.

SHRA internal controls for financial reporting are audited annually by external auditors. As part of the external audit, auditors consider internal controls over compliance with requirements that have a direct and material effect on the major federal programs in accordance with OMB Circular A-133.

The CDBG Administration unit is responsible for overseeing the implementation of CDBG and NSP activities, and to provide input to the SHRA Executive Team. The SHRA Executive Team consists of the Executive Director, Deputy Director, Department Directors, and General Counsel. To ensure compliance with the regulations the Program Manager for the CDBG program is responsible for the administration of NSP.

The CDBG Administrative unit is responsible for administration of the CDBG and NSP programs, including overseeing compliance of CDBG and NSP activities and participant monitoring. CDBG administrative staff consists of:

- (1) Program Manager
- (1) Senior Redevelopment Planner
- (2) Redevelopment Analyst

The CDBG Administrative unit is responsible to ensure CDBG and NSP activities and participants:

- Carry out program and activities as described in the application to HUD and corresponding agreements;
- Carry out activities in a timely manner, in accordance with the schedule in the corresponding agreements;
- Charge costs to the project which are eligible under the federal regulations, and reasonable in light of the services or products delivered; and
- Conduct activities with adequate control over program and financial performance and detects and prevents waste, fraud, and abuse;
- To assess if participants have the capacity to continue to carry out the approved projects as well as other grants for which it may apply;
- To assist participants in resolving compliance problems through open communication and the provision of technical assistance and training;

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- To focus our technical assistance/training efforts by identifying problem areas;
- To provide adequate follow-up measures to ensure that performance and compliance deficiencies are corrected by participants and not repeated;
- To ensure that required records be maintained to demonstrate compliance with applicable regulations.

The CDBG Administrative unit shall ensure the scope of work is clear and specific, indicate the eligible activity and national objective being met, include a detailed budget, timeline for completing the work, as well as account for reporting requirements and on-site monitoring. Because contracts are lengthy documents, the CDBG Administrative unit is responsible for coordinating with all necessary SHRA staff to review critical requirements with each activity. These may include requirements for procuring services, reporting, recordkeeping, income screening, and conflict of interest. (At this time, staff may also request insurance certifications, vendor information, etc., if this has not already been done.)

Depending on the nature of the activity, staff will provide written materials to participants. This may include OMB circulars, CPD notices, and guidebooks. Staff will review payment requests and expenditures to ensure compliance with the contract. Staff may visit the participant's offices to verify that the information contained in their drawdown report is accurate. At minimum, participants are required to submit quarterly and annual reports outlining their progress, beneficiaries served, and problems. Staff will contact participants when there are questions or concerns. Lastly, staff will network with community members to ascertain whether participants are meeting community needs, working with others to avoid duplication, and offering the best service.

Any amendments to the programs will comply fully with the citizen participation requirements. All amendments will be approved by the City Council of the City of Sacramento (Council) and/or the Board of Supervisors of the County of Sacramento (Board). Upon approval by the Council and/or Board SHRA will submit amendments to the local US Department of Housing and Urban Development (HUD) field office.