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**PROGRAM POLICY BULLETIN #19-05**

**DATE:** August 8, 2019  
**TO:** CSBG Grantees  
**AFFECTED PROGRAMS:** All Programs that Utilize CSBG Non-Discretionary funds  
**SUBJECT:** Monitoring Requirements  
**SUPERCEDES:** Policy #15-08

**POLICY SUMMARY:**

The Federal CSBG Act requires State CSBG grantees to conduct regular monitoring reviews of their Eligible Entities (CSBG Non-Discretionary grantees) in order to determine whether the entities meet performance goals, administrative and financial management standards, and other federal and state requirements.

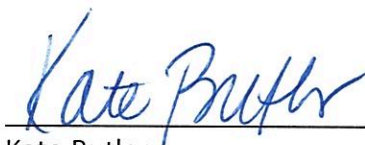
**DISCUSSION:**

Pursuant to Sec. 678B (42 USC 9914) of the CSBG Act, NJDCA will conduct regular reviews of CSBG Non-Discretionary Eligible Entities on the following schedule:

1. A complete on-site review at least once during each three (3) year period to include the review of financial statements, program services and compliance and a tour of the sites providing CSBG funded services;
2. An on-site review of each newly designated entity after the completion of the first year in which the entity receives CSBG funding;
3. Follow up reviews, including prompt return visits to Eligible Entities with noncompliant programs that fail to meet the goals, standards, and requirements established by the State; and
4. Other required reviews, as appropriate, including reviews of entities with programs that have had non-CSBG Federal, State, or local grants terminated for cause.
5. During the annual monitoring process, the Department will conduct monitoring of each grantee whose contract has been designated as High Risk, or that is on a TAP plan. When agencies so affected are no longer under the auspices of a TAP Plan or a High-Risk designation, monitoring will revert to the regular once every three-year pattern.

## Monitoring Process and Timelines

1. In the spring of each year, the CSBG program staff will schedule and perform triennial on-site monitoring reviews utilizing the CSBG Monitoring Tool.
2. Subsequently, a DCA-retained auditing firm will perform an on-site review of designated CSBG accounting and program records of each agency being monitored and the findings of the audit firm will be included in the DCA Monitoring Report.
3. If the agency has satisfied all requirements, DCA will issue a Final Monitoring Report within 60 days of the on-site monitoring visit, and this will serve to close out the monitoring process.
4. If the monitoring process uncovers findings or deficiencies, the CSBG program shall issue a Draft Monitoring Report within 60 days of the monitoring visit. Upon distribution of the Draft Monitoring Report, Eligible Entities shall have 30 days to clarify comments or findings in the report. DCA shall incorporate any clarifications into the Final Monitoring Report, and shall issue this Final report within 30 days of the end of the clarification period.
5. Agencies subject to a Final Monitoring Report will be given 60 days to submit a Corrective Action Plan (hereinafter "CAP"). The CAP shall incorporate the agency's proposal for resolution of the issues noted in the Monitoring Report and a timeline for resolution. The CAP will be reviewed, and if acceptable, approved by DCA within 30 days. Insufficient CAPs will require revisions. CSBG staff shall memorialize the resolution progress at the end of the agreed upon time frame, and shall continue to document the Corrective Action mechanism until such findings are resolved. Agencies in need of technical assistance or training in order to resolve findings discovered in the monitoring process shall make these needs known to DCA in the Corrective Action Plan.
6. If the agency can substantiate the resolution of any findings within 60 days of issuance of a Draft Monitoring Report, DCA will issue a Final Monitoring Report noting the resolution of such findings and this report shall serve as a close out letter. The CSBG program manager will, as appropriate, make an on-site visit or will review documentation submitted by agency to confirm resolution of all findings.



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