

Appendix B

Transition Plan

The Monitoring Plan was designed to complement the Department's CDBG operational procedures implemented as a part of the CDBG Redesign in 2020. Earlier grant contract and program income funded activities require a different rating and rating process to address issues that led to the need for the Redesign and the development of a Monitoring Plan that is consistent with HUD practice and [CPD Notice 14-04](#). Monitoring factors recommended in [CPD Notice 14-04](#) rely on recent monitoring information and other data that is not available in the Department's older data systems.

A modified risk assessment will be used for older grant contracts as the Department transitions to more streamlined processes and a data driven contract management program. The Department is in the process of implementing a Grants Management System (GMS) that will track performance milestones, expenditures, program income, monitoring status and other data to be used in risk assessment of future grants.

The Risk Analysis Worksheet used to determine Grantee risk will be modified each year during a four year transition period as older grant contract and program income funded activities expire. Risk assessments for 2020, 2021 and 2022 include factors noted in CPD Notice 14-04, but are balanced by additional factors that reflect current areas of concern and available data. Starting in 2023, the risk assessment will primarily rely on contract milestones and data available in the GMS.

Program year 2019 and 2020 monitorings will focus on financial management practices and environmental review. The full scope of the Monitoring Plan will be implemented in program year 2021.

Until the GMS is fully operational, monitoring will be tracked manually by a person in a supervisory capacity.