

EXAMPLE MONITORING NOTIFICATION LETTER

Below is a sample letter that a recipient of Coronavirus State and Local Fiscal Recovery Funds (“CSLFRF”) may consider issuing to a subrecipient or contractor tasked with implementing a program under CSLFRF.

This letter is provided for informational purposes. Neither this letter, nor its contents, constitute legal advice or a substitute for advice by licensed legal professionals or certified accounting professionals.

[Date]

[Name], [Title]
[Organization]
[Address]
[City, State, Zip]

RE: Monitoring of Activities Funded with Coronavirus State and Local Fiscal Recovery Funds

Dear [Name]:

Your organization received Coronavirus State and Local Fiscal Recovery Funds (“CSLFRF”) from [date] to [date].

We will review your organization’s financial management, program administration, and procurement activities to assess whether: (1) CSLFRF funds are expended on eligible uses; and (2) the activities, programs, and projects are being administered and implemented efficiently, effectively, and in compliance with applicable federal rules and regulations.¹ Topics of review include, but are not limited to: financial management, program administration and operation, procurement, and performance.

We will review documents and interview employees with knowledge of these topics during the week of [date].

On [day], [date] at [time], we will have an opening meeting to provide introductions and discuss the scope of review. Your organizational executives and management will also have the opportunity to provide an overview of your activities and performance to date.

On [day], [date] at [time], we will have a closing meeting to summarize the review, and identify any financial, program, or procurement concerns.

¹ See e.g., U.S. Department of the Treasury’s CSLFRF Final Rule, available at: <https://home.treasury.gov/system/files/136/SLFRF-Final-Rule.pdf>; U.S. Department of the Treasury’s CSLFRF Compliance and Reporting Guidance, available at: <https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf>; 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance), available at: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200>.

We will provide you with a detailed schedule one week prior to the start of our review. Please provide us with the names and titles of employees who will be available to attend the opening and closing meetings, assist with document review sessions, answer inquiries, and participate in interviews and site visits.

In addition, attached as Appendix A is a list of financial, administrative, and procurement documents that should be submitted to us no later than *[date]*.

Should you have any questions regarding this review, please contact *[Name]* at *[email address and/or phone number]*.

Thank you for your cooperation. We look forward to working with you.

Sincerely,

[Name]

[Title]

This list of documents is provided for informational purposes, and is not intended to be an exhaustive list of documents that recipients may need to obtain from subrecipients and/or contractors.

Appendix A: Examples of Supporting Documentation

- Financial Management
 - Financial policies and procedures;
 - Standards of conduct policy;
 - Approved budget;
 - Invoices and purchase orders;
 - Financial ledgers and chart of accounts;
 - Payroll records for CSLFRF-funded staff; and
 - Equipment inventory.

- Program Administration
 - Program policies and procedures;
 - Activity files;
 - Participant and/or subrecipient files;
 - Subrecipient risk assessments and monitoring reports;
 - Contractor oversight records; and
 - Performance metric and indicator documentation.

- Procurement Files
 - Procurement policies and procedures;
 - Scope of work;
 - Procurement method (quotes, bids, proposals, etc.);
 - Solicitation details (advertisement, advertisement method, publication dates, etc.);
 - Minority and Women-Owned Business Enterprise outreach efforts;
 - Responses, selection method, and criteria; and
 - Executed contracts and agreements.

- Three (3) most recent years of completed audits and, if applicable, audit(s) conducted under the Single Audit Act, 2 CFR Part 200, Subpart F.