



Corrective Action Tutorial

**Kim Crawford and Chris Battle
ESG Homeless Program Coordinators**

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What is a Corrective Action?

- A Corrective Action is when an organization is required to provide a response in writing to the ESG Office regarding a finding or concern identified by the NC ESG Office.
- A corrective action response describes how the organization will correct, mitigate and/or prevent non-compliance with the cited ESG requirements in the future.
- The corrective action response **must include a detailed plan** of how the organization will take steps to assure that the finding and/or concern cited will not be repeated.

Corrective Action Response Requirements

The Corrective Action submission must include:

- 1. Identification of the issue (finding/concern)**

- 2. Steps toward correcting the finding/concern, including:**
 - Staff responsible for carrying out these steps**

 - Dates for beginning and completing steps for corrective action**

Corrective Action Response Requirements

- Internal control measures that will be instituted
- Any training that will take place including the topic, who will be giving the training and where it is to be held.
- How the organization will assure identified findings/concerns will not be repeated and will remain in compliance with HUD policy, DHHS_DAAS ESG Guidelines and ESG Contract.
- Attachments amending any policies, procedure or implementing policies/procedures as a result of the finding/concern.

Corrective Action Submission

- The corrective action response must either be on organization letterhead **OR** on the approved NC ESG Corrective Action Form located on the NC ESG website: <https://www.ncdhhs.gov/nc-emergency-solutions-grant-%E2%80%93-grantee-sub-grantee-documents>
- Use one form for each finding/concern identified in the notification provided by the NC ESG Office.
- If using the form, all boxes must be completed. If responding on company letterhead, all required bullet points / elements must be addressed.
- The response must be received no later than the date identified in the notification provided by the NC ESG Office.
- The “Contract Signature Authority” is the same person as the signing authority for the contract.

NC ESG Corrective Action Form

Organization Name:	Example Organization, Inc.	Date:	1/1/2018
Grant Number:	123456		
Contact Person:	Jane Smith	Contact Person Title:	Executive Director
Contact Person Email:	jane.smith@exampleorganization.com		
Contact Person Phone:	(123) 456 - 7891		

Corrective Action Plan

Identification of the Issue (finding/concern):

The organization did not complete a drawdown in quarter 2.

Specific steps, date and employees responsible for correcting the identified issue:

Step 1: On 1/3/2018 the Executive Director held a staff meeting to communicate the issue to staff involved in the drawdown process. These staff members included: Jane, Administrative Assistant, Joe, Finance Director and Sam, Housing Case Manager.

Step 2: On 1/7/2018 the Executive Director and Finance Director revised the organization's fiscal policies to include an internal control checklist detailing the timeline for submission of quarterly drawdowns. Organization timeline is a 30 day timeline, which falls within the 45 day ESG timeline limit, allowing for corrections if necessary.

Step 3: On 1/12/2018 the Board of Directors approved the fiscal policies

Internal control measures that will be instituted:

To ensure continued compliance with this policy, the Executive Director will submit the internal controls checklist with the next five requisitions.

Any training that will take place including the topic, who will be giving the training and where it is to be held.

The organization will contact the ESG office to review requisition webinar by 1/30/2018. Staff will view the webinar prior to submission of the February requisition.

How the organization will assure identified findings/concerns will not be repeated and will remain in compliance with HUD policy, DHHS_DAAS ESG Guidelines and ESG Contract.

Organization currently has 4 clients (HMIS# 123456; HMIS# 654321; HMIS# 321456; HMIS# 456321) in the pipeline for reimbursement. February reimbursement will include these costs (and potentially more) totaling no less than \$ 5,783. Additionally, the checklist will be attached to the organization's copy of the requisition in the organization's file. This checklist will be available for review by the ESG office at any time.

List of Attachments:

- Internal Controls Checklist
- Board Minutes approving policy revision

Date Corrective Action Will Be Implemented	1/25/2018
Date Corrective Action Will Be Completed	2/30/2018
Contract Signature Authority's signature	
Date	2/1/2018

Submitting the Corrective Action Response

Please refer to the attached letter for Corrective Action Plan Due Date

Hard copy submission with original signatures must be mailed to:

**ESG Program
Division of Aging and Adult Services
NC Department of Health and Human Services
2101 Mail Service Center
Raleigh, NC 27699-2101**

AND

Electronic copy submission must be sent to: NCESG@DHHS.NC.GOV

NC ESG Corrective Action Review Process

Corrective Actions will be reviewed by the NC ESG Office. Responses from the NC ESG Office will be:

- Approved**
- Approved with Conditions**
- Denied**

ESG Office will notify the organization of the decision in writing.

Contact Information

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