

# *Managing CDBG Subrecipients:*

*Managing an effective community  
development program*

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1

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# *Managing CDBG Subrecipients:*

*Managing an effective community development  
program*

## Session 7



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## QUESTIONS

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### Leftover questions from Session 6?



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## Homework Assignment Six

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1. According to HUD, the majority of difficulties experienced by subrecipients can be attributed to...
  - a) Administrative Systems
  - b) Financial Management
  - c) Documentation and Record Keeping
  - d) All of the above



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## Homework Assignment Six

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1. According to HUD, the majority of difficulties experienced by subrecipients can be attributed to...
  - a) Administrative Systems
  - b) Financial Management
  - c) Documentation and Record Keeping
  - d) All of the above



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## Homework Assignment Six

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2. By rule, a subrecipient must have, at a minimum, which of the following policies?
  - a) Code of Ethics
  - b) Whistleblower Policy
  - c) Conflict of Interest Policy
  - d) Information Technology Policy



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## Homework Assignment Six

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2. By rule, a subrecipient must have, at a minimum, which of the following policies?
- a) Code of Ethics
  - b) Whistleblower Policy
  - c) **Conflict of Interest Policy**
  - d) Information Technology Policy



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## Homework Assignment Six

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3. You've just visited a subrecipient's office and you observe that staff keeps confidential files in a file cabinet without a lock. Would you consider that a "reasonable measure to safeguard personally identifiable information"?
- a) Yes
  - b) No
  - c) Maybe



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## Homework Assignment Six

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3. You've just visited a subrecipient's office and you observe that staff keeps confidential files in a file cabinet without a lock. Would you consider that a "reasonable measure to safeguard personally identifiable information"?
- a) Yes
  - b) No**
  - c) Maybe



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## Homework Assignment Six

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4. During that visit, you asked to see your subrecipient's Chart of Accounts. They say don't have one because they just put all their income into a single checking account and write checks as needed. What, if anything, are you going to do about the situation?
- a) Terminate the subrecipient agreement
  - b) Provide technical assistance and hope they can correct the situation
  - c) Issue a finding, provide technical assistance, and give them 30 days to remedy the situation
  - d) Don't worry. Be happy.



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10

## Homework Assignment Six

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4. During that visit, you asked to see your subrecipient's Chart of Accounts. They say don't have one because they just put all their income into a single checking account and write checks as needed. What, if anything, are you going to do about the situation?
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  - d) Don't worry. Be happy.



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11

## Homework Assignment Six

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5. You have a subrecipient that provides literacy classes to migrant farm workers. The agency's financial person is on the phone asking how to report income on its clients since the clients are part of a presumed benefit class and the agency hasn't collected income information. You tell her to report the total number of clients as...
- a) Extremely low income
  - b) Very low income
  - c) Low income
  - d) Moderate income



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## Homework Assignment Six

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5. You have a subrecipient that provides literacy classes to migrant farm workers. The agency's financial person is on the phone asking how to report income on its clients since the clients are part of a presumed benefit class and the agency hasn't collected income information. You tell her to report the total number of clients as...
- a) Extremely low income
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  - c) Low income
  - d) Moderate income



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## Homework Assignment Six

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6. You require subrecipients to submit client demographic information once a quarter, regardless of whether there they are submitting a reimbursement request at the same time. There was a report due July 15. Now it's September 15<sup>th</sup> and one of your agencies still hasn't submitted its July 15 report. Should you consider this a matter of concern?
- a) Yes
  - b) No
  - c) Maybe



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## Homework Assignment Six

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6. You require subrecipients to submit client demographic information once a quarter, regardless of whether there they are submitting a reimbursement request at the same time. There was a report due July 15. Now it's September 15<sup>th</sup> and one of your agencies still hasn't submitted its July 15 report. Should you consider this a matter of concern?
- a) Yes
  - b) No
  - c) Maybe



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## Homework Assignment Six

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7. Another subrecipient has been really good about getting its reports in on time, but its third-quarter report indicates it has only served about 10% of the number of clients specified in the Subrecipient Agreement Scope of Work. Should you consider this a matter of concern?
- a) Yes
  - b) No
  - c) Maybe



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## Homework Assignment Six

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7. Another subrecipient has been really good about getting its reports in on time, but its third-quarter report indicates it has only served about 10% of the number of clients specified in the Subrecipient Agreement Scope of Work. Should you consider this a matter of concern?
- a) Yes
  - b) No
  - c) Maybe



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## Homework Assignment Six

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8. A subrecipient complains because you have disallowed most of its latest reimbursement request. You tell the subrecipient you have taken this action because they are out of compliance with the budget agreed to in the Subrecipient Agreement. "We're calling HUD to complain," you are told. Does the subrecipient have a legitimate beef?
- a) Yes
  - b) No
  - c) Maybe



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## Homework Assignment Six

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8. A subrecipient complains because you have disallowed most of its latest reimbursement request. You tell the subrecipient you have taken this action because they are out of compliance with the budget agreed to in the Subrecipient Agreement. "We're calling HUD to complain," you are told. Does the subrecipient have a legitimate beef?
- a) Yes
  - b) No
  - c) Maybe



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## Homework Assignment Six

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9. We're ready to close out one of our subrecipient activities but we're confused. We looked in the regulations and see that 24 CFR 570 and 2 CFR 200 both address Closeout. Which one of the rules do we follow? Or do both apply?
- a) Follow §570.509.
  - b) Follow §200.343.
  - c) Follow the provisions of both.
  - d) You read the rules wrong. Neither applies.



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## Homework Assignment Six

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9. We're ready to close out one of our subrecipient activities but we're confused. We looked in the regulations and see that 24 CFR 570 and 2 CFR 200 both address Closeout. Which one of the rules do we follow? Or do both apply?
- a) Follow §570.509.
  - b) Follow §200.343.
  - c) Follow the provisions of both.
  - d) You read the rules wrong. Neither applies.



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## Homework Assignment Six

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10. What, if any, responsibilities does a subrecipient have to a grantee if an activity has been closed?
- a) None
  - b) To maintain records for 18 months after closeout.
  - c) The obligation to open files and their books.
  - d) To conduct a single audit if its federal expenditures during its most recent program year did not exceed \$500,000.



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## Homework Assignment Six

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10. What, if any, responsibilities does a subrecipient have to a grantee if an activity has been closed?
- a) None
  - b) To maintain records for 18 months after closeout.
  - c) **The obligation to open files and their books.**
  - d) To conduct a single audit if its federal expenditures during its most recent program year did not exceed \$500,000.



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## Monitoring

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24

## Monitoring

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A nod to starting at the beginning – SP-80

“The [Consolidate Plan] must describe the **standards** and **procedures** the jurisdiction will use to monitor its housing and community development projects and ensure long-term compliance with program and comprehensive planning requirements.”



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## Monitoring

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Standards  
Policies  
Procedures



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## Monitoring

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For our purposes, a  
**Standard**  
is a generally accepted principle for establishing  
performance expectations.



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## Monitoring

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**The standards your jurisdiction sets for its monitoring plan flow from questions like these:**

- How many subrecipients?
- How many staff members oversee subrecipients?
- What else do those staff members have on your plate?
- What level of subrecipient oversight was indicated during the pre-award assessment?



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## Monitoring

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Administer a standard, proactive monitoring approach that:

- Provides early indication of problems;
- Prevents fraud, waste and mismanagement;
- Promotes efficient and effective subrecipient performance; and
- Promotes good client relations.



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## Monitoring

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Policy flows from Standards



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## Monitoring

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“The policy of this jurisdiction is to monitor its subrecipients in a manner consistent with the requirements of 24 CFR 570, 2 CFR 200.328, and 2 CFR 200.331(d).”



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31

## Monitoring

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“This jurisdiction will monitor a minimum of  $x$  subrecipients each program year.

“A minimum of  $x_1$  subrecipients will be monitored through a formal, on-site review process; the balance ( $x_2$ ) will be monitored using a desk review.

“Staff will [*from time-to-time*] analyze risk for each subrecipient to determine which subrecipients should be monitored during that program year using which method of review.”



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## Monitoring

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*“Each subrecipient will be monitored on-site at least (how often) or (if the subrecipient will not be participating in the next program year?).”*



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## Monitoring

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Don't make promises that can't be kept.



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## Monitoring

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### PROCEDURES



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35

## Monitoring

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For Monitoring Covered by 2 CFR Part 200 Requirements.

1. b. Describe the program participant's management system for the oversight of its subrecipients. (If the program participant has described its subrecipient management policies/processes/systems in writing, attach a copy, if practical.) [24 CFR 570.502; <u>2 CFR 200.228</u> ; 2 CFR 200.331]	<table border="1"> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Yes</td> <td>No</td> <td>N/A</td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes	No	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Yes	No	N/A					
Describe Basis for Conclusion: <div style="color: red;">            Correct citation is 2 CFR 200.328         </div>							



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36

## Monitoring

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The Super Circular (2 CFR 200.331(d),(f),(g) and (h)) says:

- Review financial and performance reports
- Verify single audit compliance using data gathered previously and through the Federal Audit Clearinghouse
- Ensure corrective action on deficiencies
- Issue timely management decisions on relevant audit findings
- Consider whether audit results or other factors necessitate adjustment of pass-through entity records
- Consider whether enforcement actions are necessary



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## Monitoring

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When?



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## Monitoring

### The Scheduling Process

- At what point in the program year are monitoring decisions made?
- What kind of red flags trigger technical assistance?
- What kind of red flags trigger an early monitoring visit?



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## Monitoring the Subrecipient

CDBG Monitoring						
Grant	IDIS	Monitoring Date	Risk Assessment	Contact	Report Sent	Status of Review



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## Monitoring

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Time to work the plan.  
Do not reinvent the wheel.



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## Monitoring

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Who?



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## Monitoring

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### **The Risk Analysis Process**

- What factors does the risk analysis consider?
- Is there a checklist?
- How often does staff do the risk analysis?



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## Monitoring

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### **Four Risk Factors – HUD Uses These to Determine Grantees to Monitor**

1. Grant Management
2. Financial Management
3. Services To Beneficiaries
4. Satisfaction



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44

## Monitoring

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### **CPD-14-04**

**SUBJECT:** Implementing Risk Analyses for Monitoring Community Planning and Development Grant Programs



45

## Monitoring

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### **Attachment A-1 (pp. 11-19)**

Grant Management – 52 points

Financial Management – 45 points

Services and Satisfaction – 3 points



46

## Monitoring

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### HUD's Risk Analysis Model Modified For Assessing Subrecipients:

Scoring (High Risk/ Medium Risk/ Low Risk)	Score
<b>Factor 1 – Grant Management</b>	
A. Subrecipient Reporting (6/4/0)	
B. Subrecipient Staff Capacity and Program Design (10/8/0)	
C. Subrecipient Program Complexity (12/8/0)	
D. Subrecipient Open or Stalled Activities (6/4/0)	
E. Subrecipient Findings and Sanctions (Monitoring and OIG) (10/6/0)	
F. Subrecipient Cross-Cutting Requirement Compliance (4/2/0)	
G. Last On-Site Monitoring (+3 years – 4; 1-2 years – 2; Previous year – 0; Not Renewed – 4)	
<b>Subtotal for Grant Management (Max. 52 pts.)</b>	



47

## Monitoring

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<b>Factor 2 – Financial Management</b>	
A. Subrecipient Financial Staff Capacity (8/4/0)	
B. Monitoring Finding Resulting in Repayment or Grant Reduction (12/6/0)	
C. CDBG Grant Amount (12/8/0)	
D. Subrecipient Program Income (4/2/0)	
E. Subrecipient Single Audits or Other Financial Reporting (4/0)	
<b>Subtotal for Financial Management (Max. 38 pts.)</b>	



48



## Monitoring

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Factor 3 – Services & Satisfaction	
A. Subrecipient Citizen Complaints or Negative Media Exposure (6/2/0)	
B. Subrecipient Responsiveness (4/2/0)	
<b>Subtotal for Services &amp; Satisfaction (Max. 10 pts.)</b>	



49

## Monitoring

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### Polling Question 7-1



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## Monitoring

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### Polling Question 7-1 Answers

1. Your subrecipient operates a soup kitchen with a small staff and lots of volunteer cooks and servers. They're pretty good about getting in their reports on time and only occasionally have to be reminded to include race and gender demographics.

**Factor 1 – Grant Management** A. Subrecipient Reporting (6/4/0)

- a) High Risk
- b) Medium Risk
- c) Low Risk



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51

## Monitoring

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### Polling Question 7-1 Answers

2. Last year your financial analyst reviewed the invoices from a subrecipient and found because of an oversight by a since-departed staff member; the agency had been reimbursed for several ineligible expenses. The agency repaid over \$5,000 to clean up the books and clear a monitoring finding. Your analyst has just notified you they have sent through an invoice for a similar expense.

**Factor 1 – Grant Management** E. Subrecipient Findings and Sanctions (10/6/0)

- a) High Risk
- b) Medium Risk
- c) Low Risk



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52

## Monitoring

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### Polling Question 7-1 Answers

3. Your jurisdiction's largest CDBG subrecipient – at \$160,000 it receives more than half of your available funding – may be due for a desk monitoring, depending on how you score this item.

**Factor 2 – Financial Management** C. CDBG Grant Amount (12/8/0)

- a) High Risk
- b) Medium Risk
- c) Low Risk



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53

## Monitoring

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### Polling Question 7-1 Answers

4. You receive a call from your HUD field office. They have received a call from a person who says he was tossed out of a homeless shelter that you help fund – and for no reason. The shelter's Policies and Procedures Manual – which you have a copy of – states that anyone denied services will be notified in writing why.

**Factor 3 – Services & Satisfaction** A. Subrecipient or Citizen Complaints (6/2/0)

- a) High Risk
- b) Medium Risk
- c) Low Risk



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54

## Monitoring

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### Polling Question 7-1 Answers

5. You have just visited a subrecipient that provides Parenting classes. Because childcare is often an obstacle for parents wishing to attend, the agency provides an on-site nursery. Looking in on the nursery, you decide cleanliness doesn't seem next to godliness for the agency.

**Factor 3 – Services & Satisfaction** B. Subrecipient Responsiveness (4/2/0)

- a) High Risk
- b) **Medium Risk**
- c) Low Risk



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## Monitoring

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Where?



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## Monitoring

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### On-Site

On-site monitoring - an in-depth review that includes a visit to the subrecipient's office to review documents and source information, observe actual program operations, and discuss programs and projects with the staff carrying them out.

### Desk

Desk monitoring – a review of pertinent subrecipient reports and other documentation submitted from a variety of sources.



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## Monitoring

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### Types of Monitoring Reviews

On-site or desk – in either case, the grantee must document the process and the subrecipient's compliance



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## Monitoring

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### Desk Monitoring Process

- ✓ Notification Letter
- ✓ Documents Submitted
- ✓ Document Review
- ✓ Follow-up Monitoring Letter



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## Monitoring

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### Desk Monitoring Process

- 1) Number of proposed (per CDBG agreement) beneficiaries: \_\_\_\_
- 2) Actual number served from July 1 – January 31 : \_\_\_\_
  - Explain any significant variance, considering seasonality of program; only 8 months of program year have passed, etc.
- 3) Operating procedures and policies were reviewed during last year's monitoring visit.
  - Are procedures and policies the same? Yes \_\_\_\_ No \_\_\_\_
  - If No, attach any updates or changes to the procedures and explain the reason/rationale for the change.



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## Monitoring

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### Desk Monitoring Process

- 4) Are copies of board minutes on file and available for public review? Yes \_\_\_ No \_\_\_ Location? \_\_\_\_\_
- 5) Does the agency have a written procurement procedure that describes the process and responsible individuals? Indicate document in which procedure is included (e.g. admin policy, financial policy) Yes \_\_\_ No \_\_\_
- 6) Does the written procurement procedure identify dollar amounts associated with method of procurement (e.g. \$500 to \$2,000 requires three phone quotes). Yes \_\_\_ No \_\_\_



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## Monitoring

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### Desk Monitoring Process

- 7) Does the sub-recipient have a written code of conduct governing employees, officers, or agents engaged in the award and administration of contracts supported by grant funds? Yes \_\_\_ No \_\_\_ Please note where the code of conduct is presented. (e.g. personnel manual, employee handbook)
- 8) How long are applicant and beneficiary records and information retained?
- 9) Identify agency positions which had staff changes in the last 12 months.



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## Monitoring

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### **On-Site Monitoring Process**

- ✓ Notification Letter
- ✓ The Monitoring Visit
- ✓ Follow-up Monitoring Letter



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## Monitoring

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### **Formal notification letter to:**

- Set the dates and scope of the monitoring;
- Describe the information to be reviewed during the visit;
- Specify the expected duration of the monitoring visit; and state
  - Who will conduct the monitoring visit;
  - Whether office space will be required; and
  - Which subrecipient staff will need to be available to the monitor.



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## Monitoring

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Use the Entrance Conference to:

- Outline the schedule for the monitoring;
- Review the scope of the monitoring; and
- Reinforce the concept that the visit shouldn't be considered a negative exercise.



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## Monitoring

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Who should attend the entrance conference?

- At a minimum...
  - Person who signed the Subrecipient Agreement
  - The CFO or primary financial contact person
  - Staff responsible for record keeping and reporting



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## Monitoring

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### Documentation, Data Acquisition, and Analysis

- ☐ Compliance with the Subrecipient Agreement
- ☐ Source documentation
- ☐ Internal controls including:
  - Financial management policies and procedures
  - Procurement policies and procedures
  - Record-keeping policies and procedures
- ☐ Compliance with Federal audit requirements
  - Financial statements if single audit not required



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## Monitoring

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### H. HUD REVIEW OF SUBRECIPIENTS

**Instructions:** Select a sample of subrecipients to review, either on-site or remotely, to determine the effectiveness of the program participant's subrecipient management efforts. Use this section (H) of Exhibit 3-16 to reflect the results of a single subrecipient review. Attach a separate form of this section (H) for each additional subrecipient reviewed, as needed.

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## Monitoring

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At the Exit Conference:

- Review results of the documentation, data acquisition and analysis phase of the monitoring visit
- Review positive aspects of the activity
- Present areas of concern and discuss corrective actions that will be required
- Explain the difference between a “concern” and a “finding” if applicable
- Gather any additional information that is relevant to an evaluation of the activity
- Explore whether there are concerns and/or findings that can be cleared quickly



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## Monitoring

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**The Monitoring Letter** should be used to:

- ✓ Document the visit and provide timely feedback to the subrecipient
- ✓ Reinforce the positive aspects of the activity
- ✓ List any concerns and/or findings with applicable citations
- ✓ List exactly what the subrecipient must do to clear the finding or concern
- ✓ Set deadlines for clearing the finding or concern.



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## Monitoring

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The City of Boston has over 100 subrecipients. A very small number HUD apparently decided were bad actors. This is how Boston responded:



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## A monitoring example from Boston

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“Our Good Governance Checklist was developed as a result of a HUD monitoring review of our Main Streets Program a few years ago. We implemented it as part of our monitoring for all non-audited subrecipients.

“An independent CPA firm completes the Good Governance Checklist, then submits it to the City.

“The City reviews it, then requests a remediation plan to be completed by the subrecipient within 30 days, with an implementation plan.

“The City then conducts an on-site monitoring visit to ensure implementation has occurred, and services are being provided in accordance with the agreement.”



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72

## A monitoring example from Boston

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### ➤ Boston's example:

- For subrecipients subject to Audit:
  - Automated monthly e-mails to ensure the City receives the audit in a timely fashion
    - Within 30 days of auditee's receipt of audit
    - By March 31<sup>st</sup>
  - ☞ WHICHEVER OCCURS FIRST IN TIME
- For subrecipients not subject to Audit:
  - Completed Good Governance Checklist by a CPA
    - Deficiencies identified in a letter to subrecipient
    - Subrecipient has 30 days to respond in writing with a corrective action plan



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## Findings you can avoid

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- Failure to monitor subrecipients
  - Or, failure to document monitoring
  - Or, failure to follow-up on deficiencies identified during monitoring
- Subaward documents did not include information required by the regulation
- Inadequate or untimely reporting (Section 3, Davis-Bacon, MWBE)
- National Objective/Activity & Beneficiary Eligibility Documentation
- Required tests: HQS Inspections (and other housing inspections)
- OIG review of HUD's programs!



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74

## Monitoring

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### Finding – Statutory or regulatory violation

6.

a. Is there a signed and dated written agreement in effect for every subrecipient using CDBG funds, including program income?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
[24 CFR 570.503(a)]	Yes	No	N/A
Describe Basis for Conclusion: <b>Citation listed</b>			

## Monitoring

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Concern -  
Issue that if not addressed could result in a Finding

## Monitoring

Recommendation – Issues that don't rise to the level of a Finding or a Concern, but if implemented would improve the program – and if not implemented could result in a Concern or Finding.

c. Is there evidence that the program participant has provided appropriate resource materials to its subrecipients (e.g., governing regulations, 2 CFR Part 200, CPD Notices, the <i>CDBG Program Guide to National Objectives &amp; Eligible Activities for Entitlement Communities</i> , or corresponding websites) and keeps subrecipients abreast of program changes and new or revised requirements?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion: <div style="background-color: #f0f0f0; padding: 5px; display: inline-block;">No citation listed</div>	



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77

## HOMEWORK



Find Exercise 7 materials under the Media Tab. You received the instructions for the assignment in an email.

Complete the desk monitoring using the Desk Monitoring Questions and Checklist.

When you finish the questions and checklist, open the Homework 7 file. There are 10 questions based on our discussion of Monitoring and the Desk Monitoring exercise.

Use any of the resource materials provided in your download package... including the list of links.

At the beginning of the next session we will discuss both the Desk Monitoring Questions and Checklist and Homework Assignment Seven.



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## HOMEWORK

These are  
the files you  
will need:  
Desk  
Monitoring  
Questions  
and  
Checklist



CDBG ONLINE SUBRECIPIENT MANAGEMENT  
HOMEWORK ASSIGNMENT 7 – DESK MONITORING QUESTIONS & CHECKLIST

**Part 1: General Information**

Subrecipient: The Family Center of Happy Valley  
Activity Name: Positive Parenting

**Part 2: National Objective, Eligibility Category**

National Objective: (570.218) Subrecipient MUST document compliance with the National Objective.  
Benefit to Low-Moderate Income Persons:  
☐ Low/Med Area Benefit  
☐ Limited Clientele Benefit  
☐ Low/Med Housing Benefit  
☐ Job Creation or Retention

Eligibility Category: (870.201-6)  
Maine Code: \_\_\_\_\_

**Part 3: Subrecipient Agreement Conformance - Activity Progress**

The Activity Goals, Scope of Services, Number of People to be Served and any Special Terms are stated in the Subrecipient Agreement.

- Has there been a change in the activity goals, scope of service, number of people to be served or other special terms as indicated in the Agreement between the Subrecipient and the Grantee? ☐ Yes ☐ No  
If YES, describe any deviation and when the Community Development Department was informed of the change.
- Did the activity conform to any additional or special terms as reflected in the Subrecipient Agreement? ☐ Yes ☐ No ☐ NA
- Is the subrecipient providing the full scope of services as stated in the application and Subrecipient Agreement? ☐ Yes ☐ No
- Are the actual accomplishments at the time of this review the same as the planned accomplishment? ☐ Yes ☐ No  
If the activity is achieving the expected quantifiable levels of performance (number of persons served, achieving goals set for clients, etc) reaching the intended client group? ☐ Yes ☐ No
- For this activity what is the total count of persons served to date? \_\_\_\_\_
- Is the overall activity performance schedule being met in a timely manner (i.e. goal for number of clients served, expenditure of funds in timely manner, reporting requirements)? ☐ Yes ☐ No

1


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79

## HOMEWORK

Document  
Checklist - The  
June 12<sup>th</sup> Memo  
to Happy Valley  
Subrecipients



 **City of Happy Valley  
Community Development Department  
Public Service Grant Program**

To: Happy Valley CDBG Subrecipients  
From: Caryn Corfoss, Grant Administrator  
Subject: Minimum Documentation – CDBG Activity Files  
Date: June 12, 2019

Each subrecipient should use this checklist to assist in building HUD-compliant files for activities. Items listed with citations are required by Federal rule.

- ☐ National Objective Documentation [§570.209(c)] – Supplied by grantee
- ☐ Environmental Review Record [§570.24(a)] – Supplied by grantee
- ☐ Subrecipient Agreement [§570.56(a)]
  - ☐ Amendments
- Subpart K. Certifications:**
  - ☐ Fair Housing [§570.60(f)]
  - ☐ Anti-discrimination [§570.60(j)]
  - ☐ EEO [§570.60(f)]
  - ☐ ADA/Section 504 [§570.64(f)]
  - ☐ Others as required by the Subrecipient Agreement
- §200 Certifications:**
  - ☐ Client Certification [§200.415(a)]
  - ☐ Cost Allocation Plan [§200.415(h)] – if applicable
  - ☐ Nonprofit Certification [§200.415(c)] – if applicable
  - ☐ Anti-Lobbying Certification [§200.415(d)]
  - ☐ Self-certification – Procurement System [§200.315(a)]
- Administrative Systems:**
  - ☐ Articles of Incorporation/Bylaws
  - ☐ IRS 501(c)(3) letter
  - ☐ Board of Directors Roster
  - ☐ Authorization to request funds
  - ☐ Organizational Chart
  - ☐ Conflict of Interest Policy [§200.310(c)(7)]
  - ☐ Non-Discrimination Policy [§200.607 & 610(f)]

1

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80



## HOMEWORK

### The Application

**City of Happy Valley**  
Community Development Department  
Public Service Grant Program - 2019-20

**The Family Center of Happy Valley**  
**Positive Parenting**

**\$10,000.00 Requested**  
**\$258,804.00 Total Activity Cost**  
Submitted: 2/26/19 8:10 AM (Pacific)  
Activity Contact: Jean Kallstrom  
[jean@happyvalley.org](mailto:jean@happyvalley.org)  
Additional Contacts: [jean@happyvalley.org](mailto:jean@happyvalley.org), [mike@happyvalley.org](mailto:mike@happyvalley.org)

**The Family Center of Happy Valley**  
115 Heritage Lane  
Happy Valley  
CEO  
Dinah Berkley  
[dberkley@happyvalley.org](mailto:dberkley@happyvalley.org)

**Pre-Application**

1. Does your organization have 501(c)(3) non-exempt status?  
☒ Yes  
☐ No

2. Is your organization a current recipient of CDBG funds?  
If your organization is not a current subrecipient and has previously received funds, check "Yes" and enter the last year your organization received CDBG funding.  
☒ Yes  
☐ No, please explain:

3. Does your organization receive and/or intend to apply for an allocation from the city General Fund?  
☒ Yes  
☐ No

4. Has your organization been reviewed by GrantMatters.com?  
☒ Yes  
☐ No

5. Right to use service activities include, but are not limited to the categories listed below, please check the applicable service:  
☒ Childcare  
☒ Childcare training  
☒ Health care  
☒ Job training  
☒ Recreation programs  
☒ Public safety services  
☒ Recreation training  
☒ Fair housing activities  
☒ Youth services  
☒ Domestic violence



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81

## HOMEWORK

### The Subrecipient Agreement

**FEDERAL AWARD IDENTIFICATION WORKSHEET**  
(as required by 2 CFR 200.332(a)(1)(i)-(iv))

i. Subrecipient: **The Family Center of Happy Valley** ii. UEI #: **960063347**

iii. FAIN: **B-19-OM-00-000** iv. Federal Award Date: **7/1/19**

v. Subaward Period of Performance  
Start Date: **7/1/19** End Date: **6/30/20**

vi. Subaward Budget Period  
Start Date: **7/1/19** End Date: **6/30/20**

vii. Amount of Federal Funds Obligated to the Subrecipient by this action: **\$7,500.00**

viii. Total Amount of Federal Funds Obligated to the Subrecipient: **\$7,500.00**

ix. Total Amount of the Federal Award Committed to the Subrecipient: **\$7,500.00**

x. Federal Award Project Description: **N/A Award should not exceed \$25,000 FFATA 1995/2002**

xi. Federal Awarding Agency:  
U.S. Department of Housing and Urban Development  
Grantee: (Name of Pass-through entity)  
**City of Happy Valley**  
Awarding Official: (Contact information for pass-through entity awarding official)  
**Happy Valentine, Community Development Director**  
**112 Bridge Street**  
**Happy Valley**

xii. Assistance Listing Number and Title:  
**14.218 Community Development Block Grant (CDBG)**

xiii. Is award for Research and Development? **Yes** ☒ No

xiv. Indirect Cost Rate:  
**Indirect Costs are not a billable expense for this activity.**



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82

## HOMEWORK

### Miscellaneous documents



**City of Happy Valley**  
Community Development Department  
Public Service Grant Program

Subrecipient: The Family Center of Happy Valley  
Activity: Positive Parenting

This Public Service Activity complies with the National Objective identified in 24 CFR 272.202(a) - Activities benefiting low- and moderate-income persons meeting the criteria in paragraph (a)(2) Limited clientele activities. The National Objective Code for this activity is LMC. The matrix code is 005.

*Happy Valentine*  
Happy Valley Community Development Director

7/1/19  
Date

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83

## HOMEWORK

### Purchasing Policy



**The Family Center of Happy Valley**  
Serving the families of Happy Valley since 1985

**FINANCIAL PROCEDURES MANUAL - PURCHASING**

**A. PURCHASES UNDER \$5,000**

1. All purchases over \$500 must be approved in advance by the CEO.
2. Purchases over \$2,500 will be required to undergo a competitive bid procedure.
3. All check requests for programs are approved by the Program Director.
4. Program purchases are typically made by the Program Director or program staff, all of whom are responsible to know if the item ordered is within the budget and guidelines.
5. If the purchase is less than \$100, persons authorized by the Program Director for immediate purchase and delivery can make the purchase. Invoices are to be turned into the Office Manager.

**B. PURCHASES OVER \$5,000**

1. All purchases including services over \$6000 must be approved in advance by the CEO.
2. All purchases over \$5000 must undergo a competitive bid process.
3. All bid requests will contain clear specifications and will not contain features such as unduly restrict competition.
4. The Office Manager will be responsible to ensure that all conditions and specifications of a contract, bid, or order have been satisfactorily fulfilled and will be responsible for timely follow-up on these purchases.
5. The Office Manager will obtain at least 3 bids whenever possible.
6. Purchases of over \$5,000 will not be fragmented or reduced to components of less than \$5,000 to avoid the bid process.

**C. CREDIT CARD PURCHASES**

1. All Family Center credit cards will be kept in a locked box in the office of the Office Manager or Falls River County Administrative Assistant.
2. Family Center staff are required to receive permission from their supervisor to make a credit card purchase. The credit card must be signed out by the employee with written detail of the purchase.
3. The employee must bring a receipt for the purchase back to The Family Center office and complete a credit card receipt log detailing the reason for purchases. The receipt and receipt log are submitted to the Office Manager.

Revised February 2016

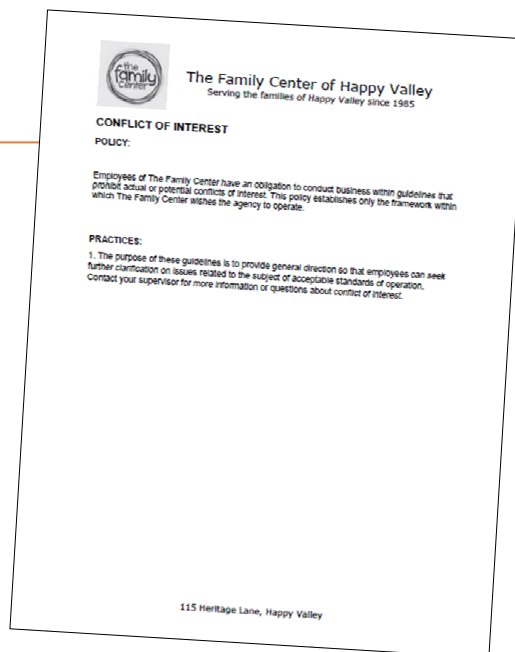
115 Heritage Lane, Happy Valley

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84

## HOMEWORK

### Policies and Procedures

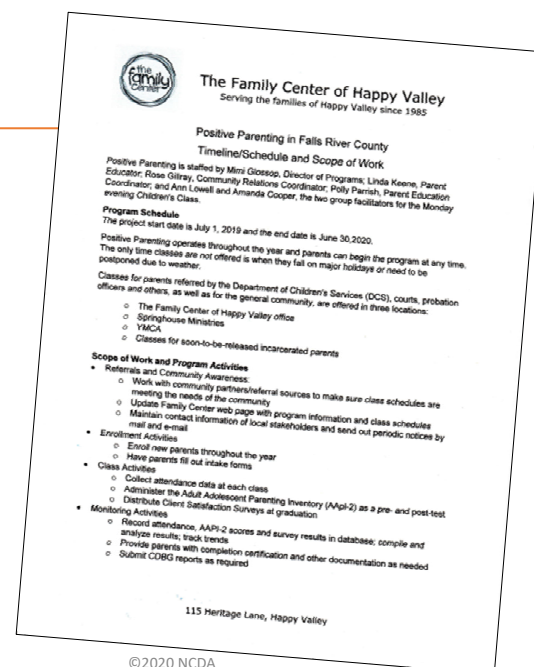


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85

## HOMEWORK

### Staff Structure




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86

## HOMEWORK

### Client Information Packet



 **The Family Center of Happy Valley**  
Serving the families of Happy Valley since 1985

**Welcome to Positive Parenting**  
A Nurturing Parenting Course

This project is partially funded through a Community Development Block Grant from the City of Happy Valley. The Family Center of Happy Valley is a private provider and not employed by the State Department of Children's Services.

**Parenting Group Expectations**

1. Respect self and others in the class.
2. Feel free to pass on anything in class with which you are not comfortable with.
3. Please keep everything in class confidential unless safety is in question.
4. Remain focused on the information shared by the educator or group members.

**Parenting Group Information**

1. Cost of the classes is \$60 (for one parent) or \$100 (for married parents) for all eight classes. A sliding scale rate is available to those who qualify. These classes are paid for in advance.
2. If you arrive to class more than 10 minutes late, you will not be allowed to attend that session. Please make other arrangements in advance.
3. Childcare is not provided for this class. They are not permitted to attend the class with you. You will not receive credit for attending two of the same sessions. You must attend all eight different classes to graduate. If you need a letter verifying your attendance, we must know at least 5 days before class. (A letter is only used to verify dates of enrollment and attendance.)
4. You must complete the series within sixteen weeks of beginning. If you miss the same session twice, you will need to restart.
5. Class changes are made by the instructor at least one week before the cancellation, in the event of an unexpected class cancellation, please call the Family Center of Happy Valley office. A recorded message will reflect the status of the class.
6. Smoking is not allowed anywhere on our property, including your vehicle.
7. Concealed Weapons Policy: It is the policy of The Family Center of Happy Valley that no concealed weapons (pepper spray, knives, guns, etc.) are allowed on the grounds of the center. Even if you have a license to carry, please take your weapons out to your car before class begins.
8. If an eligible class participant is a non-English speaker, deaf or hard of hearing, or has other language barriers, The Family Center does have access to translation/interpretation services.


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87

## HOMEWORK

### Reimbursement Requests



 **The Family Center of Happy Valley**  
Serving the families of Happy Valley since 1985

**FUNDS REQUEST FROM:** The Family Center of Happy Valley  
115 Heritage Lane  
Happy Valley

**FUNDS REQUEST TO:** City of Happy Valley  
Community Development Department


UEI#090008387  
Funds requested for: **Happy Valley Positive Parenting Program**

Parenting Education services rendered in July 2019  
Covers 43 hours of Parent Educator Linda Keene at \$22.00 per hour  
totaling \$946.00

**TOTAL:** **\$946.00**

Please remit payment to: The Family Center of Happy Valley  
115 Heritage Lane  
Happy Valley

**Thank You!**

Signature:   
Title: Polly Parrish, Parent Educator Coordinator  
Date: August 2, 2019

115 Heritage Lane, Happy Valley

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88

## HOMEWORK

### Activity Reports



**City of Happy Valley**  
Community Development Department  
Public Service Grant Program

**2019-20 CDBG Public Service Grants Activity Report**  
Due date (mm/dd/yyyy) 1/17/2020

**The Family Center of Happy Valley**  
Positive Parenting  
\$7,500.00 - \$10,000.0 Requested  
\$250,500.00 Total Project Cost

CDBG Activity Report 1 submitted: 1/17/2020

**Reporting Period**  
1. Indicate the Reporting Period covered by this submission:  
The information entered on this report should reflect persons served for the reporting period. Your first report covers the first six months of the year; the last report covers the entire year.  
a) July 1, 2019 - December 31, 2019  
b) July 1, 2019 - June 30, 2020

2. This report was completed by:  
Polly Parham, Parent Education Coordinator, and Juan Martinez, Senior Development Manager

**Demographic Information**  
3. How many persons did your program serve in each of the following race categories? (do not omit) - The number you report is individuals served, not households.

Race Category	Count
75 White	75 total to date
0 Black/African American	0 total to date
Asian	
American Indian/Alaskan Native	
Native Hawaiian/Other Pacific Islander	
American Indian/Alaskan Native & White	
Asian & White	
Black/African American & White	
American Indian/Alaskan Native & Black/African American	
0 Other race/ethnicity	
<b>88 TOTAL</b>	<b>88 TOTAL</b>

4. For each of the above race categories, how many persons served were Hispanic or Latino?  
Hispanic or Latino - A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race. The term "Hispanic origin" can be used in addition to "Hispanic" or "Latino."

Race Category	Count
3 White	3 total to date
Black/African American	
Asian	
American Indian/Alaskan Native	
Native Hawaiian/Other Pacific Islander	

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89

## HOMEWORK

### Homework Assignment Seven



**CDBG Subrecipient Management - Online Homework Assignment Seven Monitoring Subrecipients**

- What is the matrix code assigned to this activity?
  - OSA
  - OSO
  - OSL
  - OSO
- A review of the reimbursement requests suggests...
  - the subrecipient's reimbursement requests are in good order.
  - the subrecipient was underpaid.
  - the subrecipient was overpaid.
  - There are unsigned time sheets.
- What is the account number the agency uses for booking CDBG revenue?
  - 5300
  - 5310
  - 5320
  - 5330
- What is the total count of persons served by the agency?
  - 75
  - 88
  - 212
  - 300

You have completed your desk monitoring of The Family Center of Happy Valley and have identified some possible issues. For each of the following, what action will you take?

- The agency's Conflict of Interest Policy
  - Finding
  - Concern
  - Recommendation
  - No action needed
- The agency has policies covering most of the Subpart K requirements but offers no prior the policies have been implemented and followed.
  - Finding
  - Concern
  - Recommendation
  - No action needed

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90

## Session 8

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For Session 8, you will need:

- Slides
- Annotated Bibliography



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91

## MORE QUESTIONS?

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If you have any questions between the end of today's session and our next session, send me an email:

[johnncallow@bellsouth.net](mailto:johnncallow@bellsouth.net)



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92