

# *Managing CDBG Subrecipients:*

*Managing an effective community  
development program*

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# *Managing CDBG Subrecipients:*

*Managing an effective community development  
program*

## Session 8



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## QUESTIONS

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### Leftover questions from Session 7?



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## Desk Monitoring Exercise

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### Part 1: General Information

Subrecipient: **The Family Center of Happy Valley**

Activity Name: **Positive Parenting**

### Part 2: National Objective, Eligibility Category

National Objective: (570.208) Subrecipient MUST document compliance with the National Objective

#### Benefit to Low-Moderate-Income Persons

- Low/Mod Area Benefit
- Limited Clientele Benefit
- Low/Mod Housing Benefit
- Job Creation or Retention

Eligibility Category: (570.201-6)

Matrix Code: \_\_\_\_\_



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## Desk Monitoring Exercise

### Part 1: General Information

Subrecipient: **The Family Center of Happy Valley**

Activity Name: **Positive Parenting**

### Part 2: National Objective, Eligibility Category

National Objective: (570.208) Subrecipient MUST document compliance with the National Objective

#### Benefit to Low-Moderate-Income Persons

- Low/Mod Area Benefit  
 Limited Clientele Benefit  
 Low/Mod Housing Benefit  
 Job Creation or Retention

Eligibility Category: (570.201-6)

Matrix Code: **05L**



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## Desk Monitoring Exercise

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

1. 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 deviations and when the Community Development Department was informed of the change.
2. Did the activity conform to any additional or special terms as reflected in the Subrecipient Agreement?  Yes  No  NA
3. Is the subrecipient providing the full scope of services as stated in the application and Subrecipient Agreement?  Yes  No
4. Are the actual accomplishments at the time of this review the same as the planned accomplishments? Is the activity achieving the expected quantifiable levels of performance (number of persons served, achieving goals set for clients, etc) reaching the intended client group?  Yes  No



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## Desk Monitoring Exercise

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

1. 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 deviations and when the Community Development Department was informed of the change.
2. Did the activity conform to any additional or special terms as reflected in the Subrecipient Agreement?  Yes  No  NA
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## Desk Monitoring Exercise

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**5. For this activity what is the total count of persons served to date? \_\_\_\_\_**



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## Desk Monitoring Exercise

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**5. For this activity what is the total count of persons served to date? 212**



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## Desk Monitoring Exercise

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- 6. 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**
- 7. Did the activity operate within the approved budget as detailed in the Subrecipient Agreement? (i.e. budgetary line items both accurate and realistic for activity expenses; source and use of match funds accurate)  Yes  No**
- 8. Did the activity funding source change.  Yes  No**



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## Desk Monitoring Exercise

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6. 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
7. Did the activity operate within the approved budget as detailed in the Subrecipient Agreement? (i.e. budgetary line items both accurate and realistic for activity expenses; source and use of match funds accurate)  Yes  No
8. Did the activity funding source change.  Yes  No

## Desk Monitoring Exercise

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9. Was there a change in make-up or responsibility of staff for the activity?  Yes  No

## Desk Monitoring Exercise

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9. Was there a change in make-up or responsibility of staff for the activity?  Yes  No

## Desk Monitoring Exercise

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10. Were invoices for reimbursement payments submitted with support documentation  Yes  No

a. What type documentation for the activity expenses is required and was submitted with invoices for reimbursement?

## Desk Monitoring Exercise

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10. Were invoices for reimbursement payments submitted with support documentation  Yes  No

- a. What type documentation for the activity expenses is required and was submitted with invoices for reimbursement? **Timesheets were submitted. Salaries are documented.**



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## Desk Monitoring Exercise

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11. Were CDBG Program reports submitted on time?  Yes  No



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## Desk Monitoring Exercise

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11. Were CDBG Program reports submitted on time?  Yes  No



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## Desk Monitoring Exercise

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### Part 4: Administration

1. Did the organization maintain an activity file?  Yes  No (Use the Public Service Grant Activity File Checklist to describe the type of information maintained.) If no, explain the organization does not keep a CDBG activity file and explain other record keeping methods utilized by your organization.
2. Did the organization maintain client files?  Yes  No If NO, does the Subrecipient utilize other record-keeping methods?
3. Are any of policies and procedures for administering the activity and federal funds (See checklist) not in the file?  Yes  No



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## Desk Monitoring Exercise

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### Part 4: Administration

1. Did the organization maintain an activity file?  Yes  No (Use the Public Service Grant Activity File Checklist to describe the type of information maintained.) If no, explain the organization does not keep a CDBG activity file and explain other record keeping methods utilized by your organization.
2. Did the organization maintain client files?  Yes  No If NO, does the Subrecipient utilize other record-keeping methods? **An example of a client file was not requested. Based on other evidence, it is presumed such files are maintained.**
3. Are any of policies and procedures for administering the activity and federal funds (See checklist) not in the file?  Yes  No



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## Desk Monitoring Exercise

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3. Are there written policies, procedures or guidelines in reference to approval authority for financial transactions and recording of transactions and is there a system in place for adequate separation of duties regarding financial transactions?  Yes  No
4. Is there a written employee code of conduct?  Yes  No
5. Is the Subrecipient required to have a single audit per 2 CFR 200.501 (a)?  Yes  No



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## Desk Monitoring Exercise

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3. Are any of policies and procedures for administering the activity and federal funds (See checklist) not in the file?  Yes  No
4. Are there written policies, procedures or guidelines in reference to approval authority for financial transactions and recording of transactions and is there a system in place for adequate separation of duties regarding financial transactions?  Yes  No
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6. Is the Subrecipient required to have a single audit per 2 CFR 200.501 (a)?  Yes  No



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## Desk Monitoring Exercise

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### Part 5: Financial Management

*All activity costs must comply with 2 CFR 200, Subpart E*

1. Is it clear how the organization records and tracks the use of CDBG funds. Do records identify CDBG expenditures by grant/program year?  Yes  No
2. Is there a separate account for CDBG or other Federal funds?  Yes  No
3. Is revenue and expenditure identified by specific source?  Yes  No
4. Do activity expenditures include any unallowable costs? (i.e., entertainment, travel, lobbying or donations to other organizations)  Yes  No



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## Desk Monitoring Exercise

### Part 5: Financial Management

*All activity costs must comply with 2 CFR 200, Subpart E*

1. Is it clear how the organization records and tracks the use of CDBG funds. Do records identify CDBG expenditures by grant/program year?  Yes  No
2. Is there a separate account for CDBG or other Federal funds?  Yes  No
3. Is revenue and expenditure identified by specific source?  Yes  No
4. Do activity expenditures include any unallowable costs? (i.e., entertainment, travel, lobbying or donations to other organizations)  Yes  No



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## Desk Monitoring Exercise

5. Are direct salaries and wages that are chargeable to more than one funding source supported by time distribution records for all staff working on the CDBG-funded activity?  Yes  No  N/A
6. Does documentation support all expenditures requested for CDBG reimbursement, with costs directly related to the CDBG-funded activity supported by, price quotes; bid results; local salary pricing when applicable?  Yes  No
7. Were any activity funds committed or expended prior to the beginning of the program year?  Yes  No



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## Desk Monitoring Exercise

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5. Are direct salaries and wages that are chargeable to more than one funding source supported by time distribution records for all staff working on the CDBG-funded activity?  Yes  No  N/A
6. Does documentation support all expenditures requested for CDBG reimbursement, with costs directly related to the CDBG-funded activity supported by, price quotes; bid results; local salary pricing when applicable?  Yes  No
7. Were any activity funds committed or expended prior to the beginning of the program year?  Yes  No



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## Desk Monitoring Exercise

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### PUBLIC SERVICE GRANT ACTIVITY FILE CHECKLIST

- National Objective Documentation [§570.200(2)] – Supplied by grantee
- Environmental Review Record [§58.34(a)] – Supplied by grantee
- Subrecipient Agreement [§570.503]
  - Amendments
- Certifications: Anti-discrimination; Fair Housing; ADA/section 504; EEO; Others as required by terms of Subrecipient Agreement
- Closeout Certification [§200.415]



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## Desk Monitoring Exercise

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### PUBLIC SERVICE GRANT ACTIVITY FILE CHECKLIST

- National Objective Documentation [*§570.200(2)*] – Supplied by grantee
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- Closeout Certification [*§200.415*]



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## Desk Monitoring Exercise

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### 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 [*§200.318(c)(1)*]
- Non-Discrimination Policy [*§570.607(a)*]
- Grievance/Termination Policy [*§570.607(a)*]
- Procurement Policy [*§200.318(a)*]
- Record Retention Policy [*§570.506*]
- Confidentiality Policy [*§200.303(e)*]



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## Desk Monitoring Exercise

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### Administrative Systems

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- Procurement Policy [*§200.318(a)*]
- Record Retention Policy [*§570.506*]
- Confidentiality Policy [*§200.303(e)*]



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## Desk Monitoring Exercise

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### Financial Management Systems

- Most recent Audit (if federal expenditures exceed \$750,000)
  - Statement from CPA if federal expenditures do not exceed \$750,000
- Current Approved Budget
- Financial Status Report
- Chart of Accounts
- Documentation of Match
- Documentation of negotiated indirect cost rate (if applicable)
- Program Income Tracking ledger (if applicable)
- Payroll records – timesheets, salary schedule (if applicable)
- Payment Requests



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## Desk Monitoring Exercise

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### Financial Management Systems

- Most recent Audit (if federal expenditures exceed \$750,000)
  - Statement from CPA if federal expenditures do not exceed \$750,000
- Current Approved Budget (See Subrecipient Agreement)
- Financial Status Report
- Chart of Accounts (See P&L for Account Numbers)
- Documentation of Match (Narrated in Final Report)
- Documentation of negotiated indirect cost rate (if applicable) N/A
- Program Income Tracking ledger (if applicable) N/A
- Payroll records – timesheets, salary schedule (if applicable)
- Payment Requests



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## Desk Monitoring Exercise

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### Reimbursement

- Source documentation
- Backup Documentation

### Advance

- Agency did not receive an advance
- Documentation supporting compliance with § 200.305(b)(1) & (b)(2)



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## Desk Monitoring Exercise

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### Reimbursement

- Source documentation
- Backup Documentation

### Advance

- Agency did not receive an advance
- Documentation supporting compliance with § 200.305(b)(1) & (b)(2)



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## Desk Monitoring Exercise

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### Client Documentation

- Dated HUD-Approved Income Chart(s)
- Client Intake Forms
- Number of persons assisted (for non-housing activities)
  - Income
  - Race
  - Ethnicity
- Number of households assisted (for housing activities)
  - Income
  - Race
  - Ethnicity
  - Female Head of Household



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## Desk Monitoring Exercise

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### Client Documentation

- Dated HUD-Approved Income Chart(s)
- Client Intake Forms
- Number of persons assisted (for non-housing activities)
  - Income
  - Race
  - Ethnicity
- Number of households assisted (for housing activities)
  - Income
  - Race
  - Ethnicity
  - Female Head of Household

## Desk Monitoring Exercise

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FINDINGS?

CONCERNS?

RECOMMENDATIONS?

## Homework Assignment Seven

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1. What is the matrix code assigned to this activity?

- a) 05A
- b) 05D
- c) 05L
- d) 05O



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## Homework Assignment Seven

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1. What is the matrix code assigned to this activity?

- a) 05A
- b) 05D
- c) 05L
- d) 05O



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## Homework Assignment Seven

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2. A review of the reimbursement requests suggests...
  - a) the subrecipient's reimbursement requests are in good order.
  - b) the subrecipient was underpaid.
  - c) the subrecipient was overpaid.
  - d) There are unsigned time sheets.

## Homework Assignment Seven

---

2. A review of the reimbursement requests suggests...
  - a) the subrecipient's reimbursement requests are in good order.
  - b) the subrecipient was underpaid.
  - c) the subrecipient was overpaid.**
  - d) There are unsigned time sheets.

## Homework Assignment Seven

---

3. What is the account number the agency uses for booking CDBG revenue?
- a) 5300
  - b) 5310
  - c) 5320
  - d) 5330



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## Homework Assignment Seven

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3. What is the account number the agency uses for booking CDBG revenue?
- a) 5300
  - b) 5310**
  - c) 5320
  - d) 5330



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## Homework Assignment Seven

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4. What is the total count of persons served by the agency?
- a) 75
  - b) 88
  - c) 212
  - d) 300



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## Homework Assignment Seven

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4. What is the total count of persons served by the agency?
- a) 75
  - b) 88
  - c) 212
  - d) 300



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## Homework Assignment Seven

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**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?**



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## Homework Assignment Seven

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### 5. The agency's Conflict of Interest Policy

- a) Finding
- b) Concern
- c) Recommendation
- d) No action needed



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## Homework Assignment Seven

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### 5. The agency's Conflict of Interest Policy

- a) Finding
- b) **Concern**
- c) Recommendation
- d) No action needed



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## Homework Assignment Seven

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### 6. The agency has policies covering most of the Subpart K requirements but offers no proof the policies have been implemented and followed.

- a) Finding
- b) Concern
- c) Recommendation
- d) No action needed



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## Homework Assignment Seven

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6. The agency has policies covering most of the Subpart K requirements but offers no proof the policies have been implemented and followed.
- a) Finding
  - b) Concern**
  - c) Recommendation
  - d) No action needed

## Homework Assignment Seven

---

7. The first four Administrative Systems documents listed on your June 12 memo are missing. You know at least two exist because you have copies in your activity file.
- a) Finding
  - b) Concern
  - c) Recommendation
  - d) No action needed

## Homework Assignment Seven

---

7. The first four Administrative Systems documents listed on your June 12 memo are missing. You know at least two exist because you have copies in your activity file.
- a) Finding
  - b) Concern
  - c) Recommendation
  - d) No action needed



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## Homework Assignment Seven

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8. None of the §200 certifications listed on the June 12 memo is in the file.
- a) Finding
  - b) Concern
  - c) Recommendation
  - d) No action needed



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## Homework Assignment Seven

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8. None of the §200 certifications listed on the June 12 memo is in the file.

- a) Finding
- b) Concern
- c) Recommendation
- d) No action needed

## Homework Assignment Seven

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9. The agency's Confidentiality Policy

- a) Finding
- b) Concern
- c) Recommendation
- d) No action needed

## Homework Assignment Seven

---

### 9. The agency's Confidentiality Policy

- a) Finding
- b) Concern
- c) Recommendation
- d) **No action needed**

## Homework Assignment Seven

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### 10. Based on your desk monitoring of The Family Center of Happy Valley, will you recommend scheduling an on-site monitoring?

- a) Yes
- b) No

## Homework Assignment Seven

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10. Based on your desk monitoring of The Family Center of Happy Valley, will you recommend scheduling an on-site monitoring?

- a) Yes
- b) No

## Agenda – Session 8

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- Problem Solving
- CDBG-CV
- Review
- The Test

## Problem Solving

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## Problem Solving

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The grantee has

- carefully crafted its policies for managing subrecipients;
- established clear written procedures informed by all applicable Federal regulations;
- involved the public as required by its Public participation plan;
- provided technical assistance to the subrecipients as appropriate; and
- carefully monitored the subrecipient to be sure the training has been absorbed.



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## Problem Solving

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What could possibly go wrong?



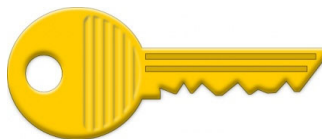
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## Problem Solving

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The key to problem solving is finding the resources  
with the answer to the problem.



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## Problem Solving

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Key resources for managing the subrecipient process include:

- ✓ HUD manuals, guidebooks
- ✓ HUD training videos
- ✓ The Code of Federal Regulations
- ✓ NCD A conferences and training
- ✓ NCD Aonline.com for the Forum and Document Archives
- ✓ Your personal peer network

## Problem Solving

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There is an annotated bibliography of subrecipient-related resources in the course materials.



To summarize ...

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Subrecipient Management is a process that flows from policy. Put it all in writing and check the boxes as you move through the process.

There is no substitute for knowing the rules.

You are not alone ... when in doubt, ask. Most of the problems you will encounter have already been solved by someone who would love to share the solution.

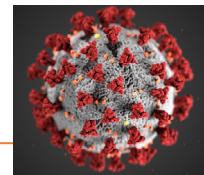


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COVID-CV

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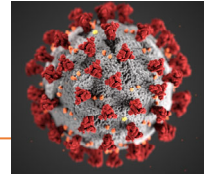


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## CDBG-CV

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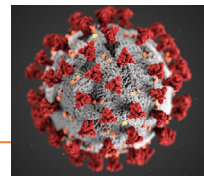


### ➤ Important Dates

- January 21, 2020 – U.S. records 1<sup>st</sup> case of coronavirus
- January 27, 2020 – HHS declares public health emergency for entire U.S.
- March 13, 2020 – President declares a national emergency
- March 27, 2020 – President signs CARES Act
- August 19, 2020 – HUD posts FR-6218-N-01 (rules for using CDBG-CV allocations)

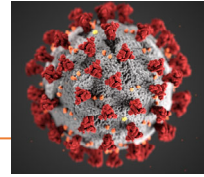
## CDBG-CV

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- ### ➤ The CARES Act allocates \$5 billion to CDBG-CV activities.
- The current CDBG allocation is \$3.3 billion.

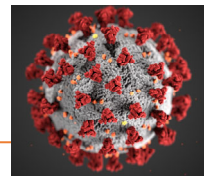
## CDBG-CV



### ➤ Purpose of CDBG-CV

To Prevent, Prepare for, and Respond to  
Coronavirus.

## CDBG-CV

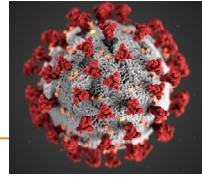


➤ CDBG-CV grants may be used for no other purpose than to prevent, prepare for, and respond to coronavirus, but...

- HUD recognizes the impact of indirect affects of the virus such as:
  - Economic and housing market disruptions

## CDBG-CV

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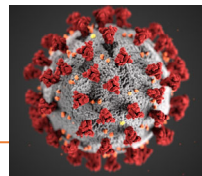


➤ CDBG Funding Streams covered by the COVID rules:

- FY2019 regular allocation
- FY2020 regular allocation
- CDBG-CV allocations as made available

## CDBG-CV

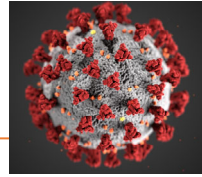
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The CARES Act includes language that allows HUD to waive a number of statutory requirements affecting HUD's CPD programs – including CDBG.

## CDBG-CV

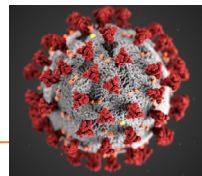
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- The most important provisions that remain the same:
  - CDBG-CV activities must meet a National Object
  - CDBG-CV activities must be eligible as defined in §570
  - The 70% LMI requirement

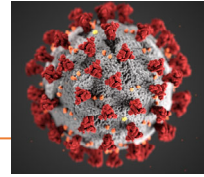
## CDBG-CV

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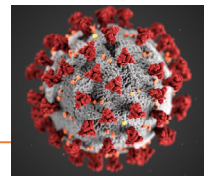
- Unless specifically waived, the entitlement grantee is expected to comply with all regulatory requirements in §570...
  - Subpart A
  - Subpart C
  - Subpart D
  - Subpart J
  - Subpart K
  - Subpart O

## CDBG-CV



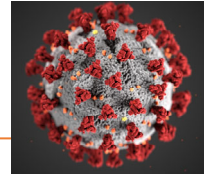
- 2 CFR 200
  - OMB has issued guidance allowing federal agencies to waive provisions of the Super Circular.
  - HUD is not one of the agencies covered by the OMB guidance.
  - All provisions of §200 that apply to the CDBG program apply to CDBG-CV.

## CDBG-CV



- Davis-Bacon and related labor standards apply to CDBG-CV...
  - Even if an activity begins after application for CDBG-CV funds is made...
  - but CDBG-CV funds are not approved...
  - before a contract is awarded or construction begun...
  - In which case, Davis-Bacon wage rates apply retroactively.

## CDBG-CV



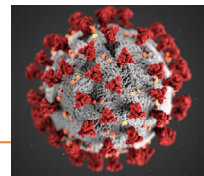
- Proposed CDBG-CV spending must be covered in the grantee's Annual Action Plan.
  - Substantial Amendment required to commit FY2019 funds
  - Substantial Amendment required to commit FY2020 funds and CDBG-CV funds if Annual Action Plan has already been submitted to HUD
  - Include CDBG-CV funding in new Con Plans and Annual Action Plans



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## CDBG-CV



- HUD has awarded allocations to all entitlements
  - To get its allocation, the entitlement must submit an application
  - The Substantial Amendment or a new Annual Action Plan that includes proposed CDBG-CV activities is part of the application.
  - Application for CDBG-CV funds must be published for no fewer than five days.
  - Failure to apply for the CDBG-CV grant will trigger recapture of the allocation.

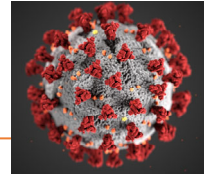


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## CDBG-CV

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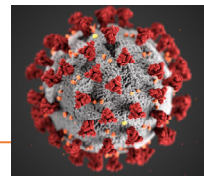


### ➤ CDBG-CV Substantial Amendment

- Submission must include
  - The amendment describing the use of CDBG-CV funds
  - SF-424
  - SF-424D
  - General Certifications (§91.225(a))
  - CDBG Certifications (§91.225(b))

## CDBG-CV

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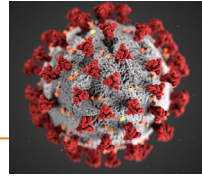
### ➤ Consistency with the Consolidate Plan

- §91.225(a)(5) requires grantees to certify that its housing activities are consistent with housing sections in the Con Plan.
  - HUD has waived this provision for the duration of the pandemic



## CDBG-CV

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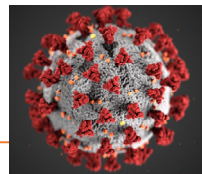


“HUD recommends that grantees apply as soon as possible for CDBG-CV funds that HUD has allocated.”

*FR-6218-N-01*

## CDBG-CV

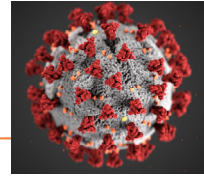
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➤ An important advantage to submitting applications without waiting for the next Action Plan is the option to employ expedited citizen participation procedures.

- Before adopting expedited procedures, the grantee must **publish the proposal** for no less than five days to provide **public notice** and offer citizens “a **reasonable opportunity to comment** [for] no less than five days.”
- Comment period on expedited procedures may run concurrently with comment period on Substantial Amendment.

## CDBG-CV



- HUD has issued technical assistance

### ***Setting Up A Substantial Amendment For CARES Act Funding***

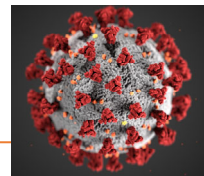
<https://www.hud.gov/sites/dfiles/CPD/documents/Setting-Up-a-Substantial-Amendment-for-CARES-Act-Funding.pdf>



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## CDBG-CV



- Examples of Eligible COVID Activities

- Acquisition and Rehab
  - **Facility for testing, diagnosis, or treatment**
- Economic Development
  - **Short-term working capital loan to small business to save job**
- Public Services
  - **Subrecipient conducts testing at fixed or mobile location**
  - **Food Pantry expands operating hours to serve increased demand**
- Planning (Entitlements only)
  - **Develop Emergency Infectious Disease Response Plan**

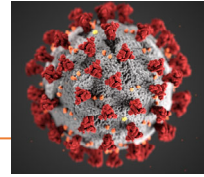


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## CDBG-CV

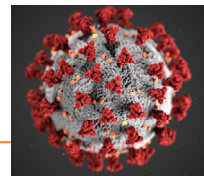
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- HUD is allowed up to 45 days to review Con Plans, Annual Action Plans, and Substantial Amendments to either.
  - HUD has instructed its field offices to expedite the approval process for CDBG-CV Substantial Amendments
  - HUD has supplied reviewers with amendment checklists streamlined to encourage quick approval
  - **Effect is close to instantaneous approval in most field offices**

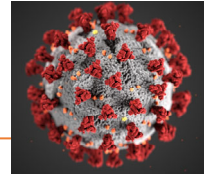
## CDBG-CV

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What else is different?

## CDBG-CV



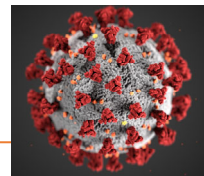
- Deadline for Con Plan and Action Plan Submission
  - Deadline for filing FY2020 Action Plans and updates to Con Plan extended by one year – August 16, 2021
- CAPER Extension
  - PY2019 CAPER due no later than 180 days instead of 90 days after close of grantee's program year.
    - The waiver is automatic but a call to your field office is recommended



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## CDBG-CV



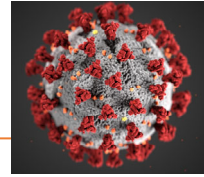
- Duplication of Benefits
  - **Put simply – no double dipping**
  - **All funds – regardless of source – that are available to meet a need for the same purpose must be considered.**
  - **Look for insurance or reserved funds**



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## CDBG-CV



### ➤ Duplication of Benefits

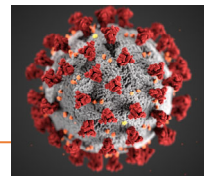
- HUD not the only federal agency to receive CARES Act funding to assist communities in need.
  - e.g. Treasury, FEMA; Health & Human Services
- CDBG not only HUD program to receive CARES Act funding
  - e.g. ESG, HOPWA
- CDBG-CV specifically designated to assist **LMI residents** in need



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## CDBG-CV



### ➤ Duplication of Benefits

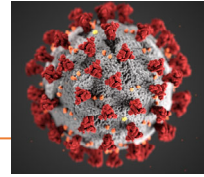
- CDBG-CV cannot be used to reimburse expenses – even if they are eligible expenses
  - if they have already been reimbursed from another source – Federal or other
  - **OR**
  - could be reimbursed from another source – Federal or other
- Grantee (or Subrecipient) must do a Duplication of Benefits Analysis before providing assistance to individuals.



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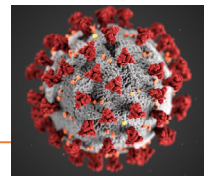
90

## CDBG-CV



- Grantee required to develop policies and procedures to prevent duplication of benefits for each activity or program receiving CDBG-CV funds.
  - At a minimum, CDBG-CV P&P must include
    - Requirement that any person or entity receiving CDBG-CV assistance agree to repay any assistance determined to be duplicative
    - A method for determining what other assistance has (a) been received or (b) can reasonably be expected to be received. (This includes private insurance proceeds.)

## CDBG-CV



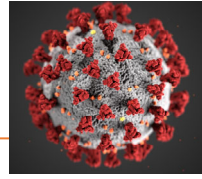
- Duplication of Benefits
- “HUD strongly encourages each CDBG-CV grantee to become familiar with the range of available assistance and uses...
 

AND

- Apply its more flexible CDBG-CV assistance to unmet needs or to gaps, with special attention to coronavirus response, prevention, or preparation needs of LMI persons.”

*FR-6218-N-01*

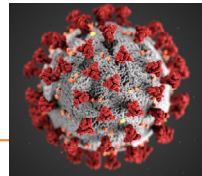
## CDBG-CV



### ➤ Duplication of Benefits

- An exception – grantee may use CDBG-CV to pay an eligible expense that will be duplicative upon reimbursement from another source if entity or individual agrees in writing to pay back the CDBG-CV funds when payment is received from the other source.

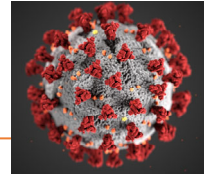
## CDBG-CV



### ➤ Duplication of Benefits

- If it is determined at some point that duplicative payments have been made using CDBG-CV funds, HUD will require jurisdiction to repay using non-Federal funds.

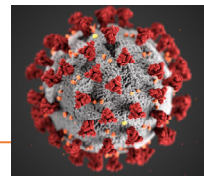
## CDBG-CV



### ➤ The Public Service Cap

- The CARES Act waives the 15% Public Service Cap
  - For CDBG-CV funds and
  - FY2019 and FY2020 CDBG regular allocations
  - ☞ **If funds are used to prepare, prevent, and respond to coronavirus**
- The link to “Prepare, Prevent, and Respond” must be documented

## CDBG-CV



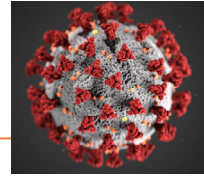
### ➤ The Public Service Cap

- Cap still applies to FY2019/FY2020 public service activities that can't be linked to “Prepare, Prevent And Respond”
- CDBG-CV funds not included in cap compliance calculation for regular formula funds



## CDBG-CV

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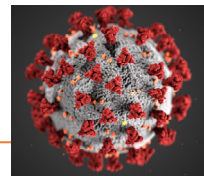


### ➤ Program Income

- Program Income generated by CDBG-CV funds is considered regular CDBG program income
  - Grantee has same options for subrecipient-generated program income as it does for regular CDBG

## CDBG-CV

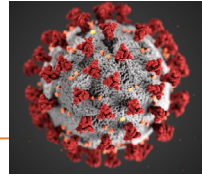
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### ➤ Citizen Participation

- The CARES Act allowed HUD to issue waivers allowing for expedited public participation procedures for actions related to COVID-19...
- The Notice details these waivers...
- To take advantage of the waivers, the grantee is required to amend its Citizen Participation Plan.

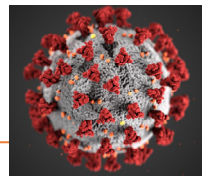
## CDBG-CV



### ➤ Expedited Citizen Participation Process

1. The 30-day comment period may be replaced with a comment period of no fewer than five days
2. Reasonable Notice required
  - Grantee determines what “reasonable” means based on local conditions
  - Document rationale for determination

## CDBG-CV

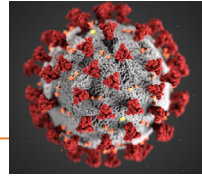


### ➤ Virtual Hearings

- In person hearings not required for CDBG-CV or FY2019/FY2020 CDBG grants.
- Grantee determines best platform for virtual hearing, but
  - Must provide citizens means for asking questions, receiving answers, and making comments
    - Real time Q&A the gold standard, but not required
  - Must take steps to allow access to
    - Minorities
    - Persons with Limited English Proficiency
    - Persons with disabilities

## CDBG-CV

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### ➤ Using the Urgent Need National Objective

- Grantee must certify:

1. The activity is designed to alleviate existing conditions;
2. Those existing conditions pose a serious and immediate threat to health/welfare of community and of recent origin;
3. The grantee is unable to finance the activity and that other resources are unavailable.

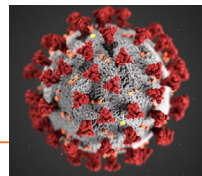


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## CDBG-CV

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### ➤ Using the Urgent Need National Objective

- Grantee must document:

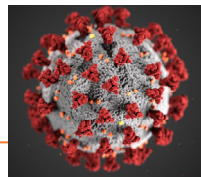
1. Nature and degree of seriousness;
2. Evidence the recipient certified activity designed to address the urgent need;
3. Evidence confirming other sources of funding not available.



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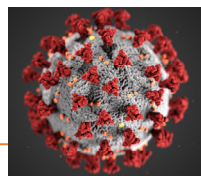
## CDBG-CV



### ➤ Using the Urgent Need National Objective

1. To document nature and degree of seriousness:
  - Can be the same documentation used to show grant funds were used to **Prepare, Prevent, and Respond** to Coronavirus
  - Document date local emergency declared or other milestone used by community to determine degree of seriousness

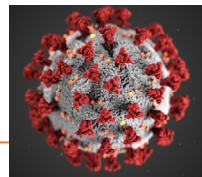
## CDBG-CV



### ➤ Using the Urgent Need National Objective

2. To document evidence the recipient certified activity designed to address the urgent need:
  - Document **date local emergency declared** or other milestone used by community to determine degree of seriousness
    - January 27, 2020 – HHS declaration
    - March 13, 2020 – Presidential declaration

## CDBG-CV



### ➤ Using the Urgent Need National Objective

“The extreme needs of local governments resulting from coronavirus... outweigh available resources, despite the extraordinary level of assistance provided to... local government under the CARES Act.”

*FR-6218-N-01*

### 3. To document evidence confirming other sources of funding not available:

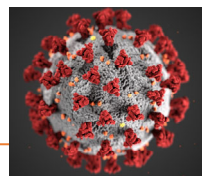
- Provide documentation the activity will **Prepare, Prevent, and Respond** to Coronavirus



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## CDBG-CV



### ➤ Using the Urgent Need National Objective

- **Advantage** to using Urgent Need
  - Provide services regardless of income
- **Disadvantages** to using Urgent Need
  - Urgent Need activities can get expensive quickly
  - The 70% LMI still prevails, even for CDBG-CV

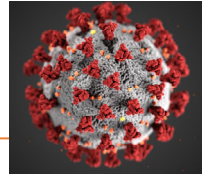
➤ HUD says, “It’s really smart to set up activities that could meet more than one National Objective, but I don’t know why you’d want to use CDBG to pay for people with incomes greater than 80% (of the AMI) using Urgent Need.”



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## CDBG-CV



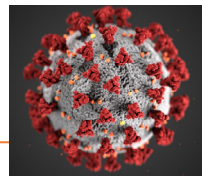
- CDBG-CV pre-application expenses may be eligible
  - No reimbursement for COVID-related expenses dated before January 21, 2020
  - No reimbursement for ineligible activities and/or expenses
  - HUD taking broad view on pre-award and pre-agreement costs
  - Environmental Review must be complete and certified before any funds committed



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## CDBG-CV



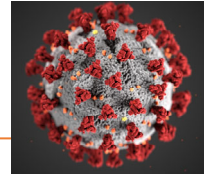
- Emergency payments on behalf of individuals and families
  - HUD will ask, “Was the payment necessary to keep beneficiary from becoming homeless?”
  - Three-month limit on emergency payments extended to six consecutive months
  - HUD interpreting emergency payments to include
    - Food
    - Clothing
    - Housing
    - Utilities
  - Payment must be made to provider of items or services



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## CDBG-CV



### ➤ Period of Performance

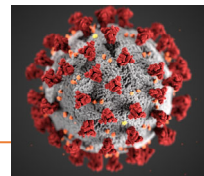
- Any CDBG-CV funds not expended within six years will no longer be available to the grantee.
  - Regular CDBG period of performance is eight years
- 80% of CDBG-CV funds must be expended within three years.
  - If 80% not expended, HUD will recapture the difference between actual expenditures and 80% of the allocation.
- Date of grant agreement starts the clock



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## CDBG-CV



### ➤ Timeliness

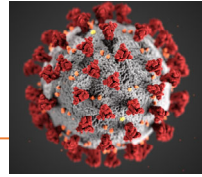
- HUD has determined that all entitlement grantees are experiencing factors beyond their reasonable control that impact carrying out activities in a timely manner.
- The requirement to spend CDBG funds in a timely fashion continues in effect, however
  - HUD has suspended all corrective actions, sanctions, and informal consultations until further notice.



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## CDBG-CV



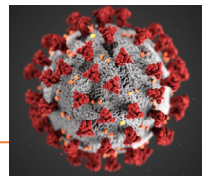
- Quarterly Reporting
- Recipients receiving more than \$150,000 or more in CARE Act funding must submit a report detailing
  - Amount of funds received
  - Amount of funds obligated or spent for each activity
  - List of all COVID-related activities
    - Description of activities
    - Detailed information on subawards and subcontracts
- Report must be submitted no later than 10 days after end of each quarter
- HUD still working on reporting mechanism, Stay tuned.



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## CDBG-CV



- Eminent Domain
  - CDBG-CV funds may not be used for any activity that requires the use of eminent domain unless the power supports a public use
  - Public use projects would include, but are not limited to:
 

▪ Mass transit	▪ Highway
▪ Railroads	▪ Utilities
▪ Airports	▪ Brownfields
▪ Seaport	

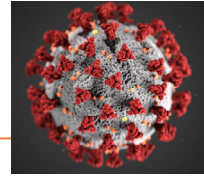


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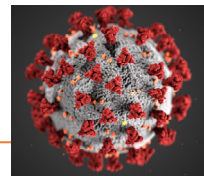
## CDBG-CV



### ➤ Economic Development

- Because HUD recognizes the severe effect coronavirus has had on jobs, a number of waivers to Special Economic Development Activity rules have been issued.
- Grantees wishing to use COVID-related funds for Economic Development activities should refer to the following sections of FR-6218-N-01
  - III.B.(d)(ii)-(iv)
  - III.B.(e)(i)-(ii)

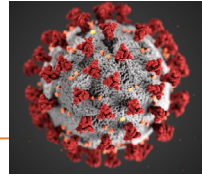
## CDBG-CV



**C DFA for CDBG-CV – 14.218**  
**Use this on the Federal Award**  
**Identification Worksheet**

## CDBG-CV

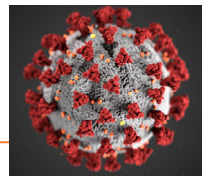
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CDBG-CV funds may not be used for float-funded activities or guarantees.

## CDBG-CV

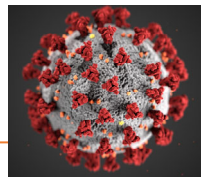
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### ➤ Monitoring CDBG-CV

- Most CDBG provisions apply to CDBG-CV, but not all...
- HUD expects to release CDBG-CV monitoring checklists soon.

## CDBG-CV



Q. Pay for two drivers for Meals on Wheels to deliver meals to all seniors. Since COVID hit, the senior center is closed and now all the meals are having to be delivered to all seniors and not only the homebound like before COVID. Meals on Wheels has had to hire one driver but wants to hire a second driver. They need funding to pay for both drivers. Before COVID Meals on Wheels relied on volunteers to deliver meals but most volunteers are over 60+ and not volunteering their time due to trying to stay safe.

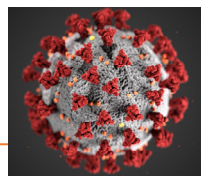
A. 05A Senior Services (LMC) - all seniors means Presumed Benefit, report all as Low Income - non-center-based service



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## CDBG-CV



Q. Domestic violence shelter: CDBG-CV Funds to use for Electrostatic Cannon Sprayers, UV Air Duct Disinfection Lamps, Thermal Scanning Kiosks, Clear Barriers, Pulse Oximeters, Disinfecting UV Lights (Walk-Thru Sanitation Portals), Gloves, Mask, Hand Sanitizer, Lysol Spray and Wipes, etc. As well as any installation fees/charges. (This is for both shelter and counseling offices at different location) also for the shelter only: purchase and installation of additional washer and dryer.

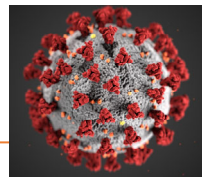
A. 05G Services for Victims of Domestic Violence (LMC) or possibly an 03T (LMC) for the shelter part of the expenses - another Presumed Benefit, report all persons served as Low Income (If not for the CV Public Service waiver, I might be inclined to run this through as an 03C (LMC) Homeless Facilities.)



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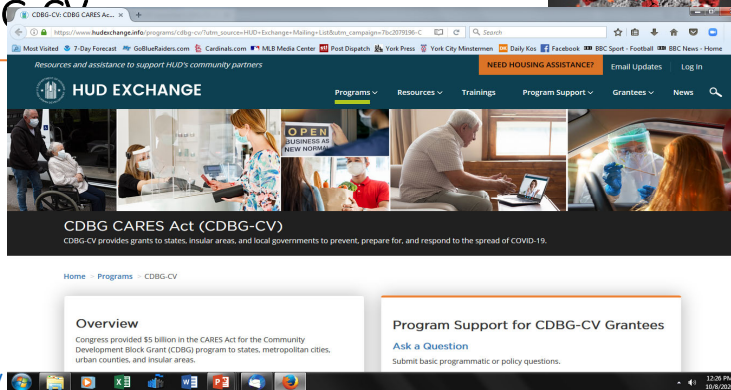
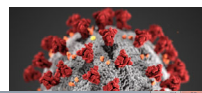
## CDBG-CV



Q Non-Profit Serving Center will provide rent/mortgage/utility assistance and wants to use funds to pay salary for two temps that will take applications (calculate income, review required documents, process requests). They used to run on solely volunteers but most volunteers are not coming out because they are mostly over the age of 60+ and trying to stay safe.

A. Since they want to pay salaries, not provide assistance, this looks like an 05X - Housing info/referral services (LMC) to me. If you go with 05J, the two counselors have to be HUD-certified.

## CDBG-CV



[https://www.hudexchange.info/programs/cdbg-cv/?utm\\_source=HUD+Exchange+Mailing+List&utm\\_campaign=7bc2079196-CDBG-CV-Website-Now-Available-10.8.20&utm\\_medium=email&utm\\_term=0\\_f32b935a5f-7bc2079196-19387481](https://www.hudexchange.info/programs/cdbg-cv/?utm_source=HUD+Exchange+Mailing+List&utm_campaign=7bc2079196-CDBG-CV-Website-Now-Available-10.8.20&utm_medium=email&utm_term=0_f32b935a5f-7bc2079196-19387481)

## Review

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## Review

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The management and oversight principles for public service subrecipients are applicable for all subrecipient activities.

There are few, if any, eligible activities for which grantees may not use subrecipients.

## Review

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### The Consolidated Planning Process

1. Determining Needs
2. Setting Priorities
3. Determining Resources
4. Setting Goals
5. Administering The Program
6. Evaluating Performance – The CAPER

## Review

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### SETTING PRIORITIES

**“The level of need in a community will always be greater than the limited resources available to meet the need.”**

*Our friends at HUD*

## Review

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Only goals listed in SP-45 will appear in Section AP-20 of the Annual Action Plan.

Each Action Plan **project** must tie to a **Goal...**  
Each **activity** must tie to a **project.**

## Review

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Paint with a broad brush.



## Review

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... To be eligible for CDBG assistance, a public service must be either a **new service** or a **quantifiable increase in the level of an existing service** above that **which has been provided by or on behalf of the unit of general local government** (through funds raised by the unit or received by the unit from the State in which it is located) in the 12 calendar months before the submission of the action plan. ...



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## Review

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What about substituting CDBG money for an agency's private funds?

Allowed

What about substituting CDBG funds for other Federal funding?

Allowed



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## Review

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Public services not subject to the cap:

- homeownership assistance
- special economic development activities
- microenterprise assistance
- special activities performed by CBDOs

## Review

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### § 200.400 Policy guide.

The application of these cost principles is based on the fundamental premises that:

- (a) **The non-Federal entity is responsible** for the efficient and effective administration of the Federal award through the application of sound management practices.
- (b) **The non-Federal entity assumes responsibility** for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award.
- (c) **The non-Federal entity**, in recognition of its own unique combination of staff, facilities, and experience, **has the responsibility** for employing whatever form of sound organization and management techniques may be necessary in order

## Review

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### **§200.1 Non-Federal Entity.**

*Non-Federal entity* means a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a Federal award as a recipient or subrecipient.

### **§200.1 Pass-through entity.**

Pass-through entity means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.



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## Review

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HUD expects you to know the difference.

“a pass-through entity must make case-by-case determinations whether each agreement it makes for the disbursement of Federal program funds casts the party receiving the funds in the role of a subrecipient or a contractor.”



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## Review

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### **Characteristics indicative of a contractor relationship:**

1. Provides goods and services within normal business operations;
2. Provides similar goods and services to many different purchasers;
3. Normally operates in a competitive environment;
4. Provides goods and services that are ancillary to the operation of the federal program;
5. Is not subject to compliance requirements of the Federal program as a result of the agreement.

## Review

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Typically what will exist between the recipient and the contractor is a procurement relationship:

buyer/seller

## Review

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### **Characteristics of a CDBG subrecipient:**

1. Determines who is eligible to receive what Federal assistance
2. Has its performance measured in relation to whether a national objective was met;
3. Has responsibility for programmatic decision making;
4. Is responsible for adherence to applicable Federal program requirements specified in the Federal award;
5. Uses Federal funds to carry out a program for a public purpose specified in the authorizing statute; and
6. Does not provide goods or services for the benefit of the pass-through entity.



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## Review

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- The pass-through entity is providing financial assistance to a non-federal entity to run an eligible program on its behalf.
- The pass-through entity is not required to select subrecipients through a competitive procurement process.



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## Review

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### 200.1 Contract.

*Contract* means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. **The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward (see §200.1 Subaward).**



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## Review

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- §200.334 covers record retention requirements but there are exceptions that apply to CDBG activities.
- See §570.502 for the exceptions
  - Recipients must maintain records for
    - A minimum of four years from date activity is closed out
  - Subrecipients must retain records for
    - A minimum of three years
- These periods are minimums. HUD will expect grantees to follow local record retention policies should they be more stringent.



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## Review

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Other important §570 exceptions to §200 include

- Cost sharing
- Program income
- Revisions of budget and program plans

⇒ See §570.502 for full details

## Review

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### **§200.1 Indirect (facilities & administrative (F&A)) costs.**

*Indirect (F&A) costs* means those costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. ...

## Review

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**§ 200.303 Internal controls.** The non-federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (c) Evaluate and monitor the non-federal entity's compliance with statutes, regulations and the terms and conditions of Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.
- (e) Take reasonable measures to safeguard protected personally identifiable information and other information the Federal awarding agency or **pass-through entity** designates as sensitive or the non-federal entity considers sensitive consistent with applicable Federal, state, local, and tribal laws regarding privacy and obligations of confidentiality.

## Review

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The second the subrecipient agreement is fully executed, the subrecipient becomes a non-federal entity subject to the same stipulations of 2 CFR 200 as the grantee.

## Review

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Choose partners “that share a common vision with the grantee.”

*Our friends from HUD*

## Review

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“The non-Federal entity, **in recognition of its own unique combination of staff, facilities, and experience**, has the primary responsibility for employing whatever form of sound organization and management techniques may be necessary in order to assure proper and efficient administration of the Federal award.”

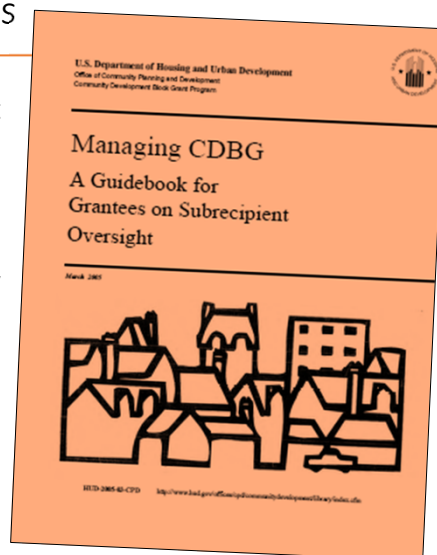
§200.400(c)



## Selecting Subrecipients

*Managing Subrecipients* states that the pre-award assessment should not be viewed as an exercise “to weed out all organizations except those with a perfect track record,” adding, “Ideal subrecipients probably do not exist.”

Offers good information – but don’t forget that 2 CFR 200 supersedes all references to OMB circulars and Parts 84 and 85.



## Review

Not only does HUD leave how subrecipients are selected by the grantee, it offers six models in *Managing Subrecipients*.

## Review

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### Is the organization eligible?

#### Does your organization have 501(c)3 tax-exempt status?

- Yes
- No
- Not Applicable – Governmental Entity or other eligible organization [see 24 CFR 570. 500(c)]



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## Review

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- FBOs are eligible for CDBG funds on an equal footing with any other organization.
- CDBG funds may not be used to support worship, religious instruction, or proselytizing.
- An organization may still engage in religious activities during the provision of public services, as long as those activities are voluntary for participants and occur separately from the HUD-funded activity.
- No one applying for CDBG-funded services from the FBO can be discriminated against or given preferential treatment on the basis of religion.
- FBO receiving HUD money are responsible for complying with HUD regulations and are subject to monitoring by grantees.



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## Review

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§570.303(a) Before disbursing any CDBG funds to a subrecipient, the recipient shall sign a written agreement with the subrecipient. The agreement shall remain in effect during any period that the subrecipient has control over CDBG funds, including program income.

## Review

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**§570.503 lists the seven components required in every Subrecipient Agreement**

- 1) *Statement of work*
- 2) *Records and reports*
- 3) *Program income*
- 4) *Uniform requirements*
- 5) *Other program requirements*
- 6) *Suspension and termination*
- 7) *Reversion of assets*

## Review

### Federal Award Identification Worksheet

Every subaward using Federal funds must be clearly identified

**2 CFR 200.332(a)(1)(i-xiii)**

## Review

- Does the agreement include a statement of work and corresponding budget?
- Does the statement of Work provided sufficient detail for the program participant to monitor performance against the agreement as well as report on performance measurement progress?

HUD's take on the Scope of Work:

"... sufficient detail to provide a sound basis for the recipient effectively to monitor performance under the agreement."

## Review

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(2) Records and reports – “The recipient shall specify in the agreement the particular records the subrecipient must maintain and the particular reports the subrecipient must submit in order to assist the recipient in meeting its recordkeeping and reporting requirements.”

- Subrecipient must retain records the longer of three years...
  - After expiration or termination of the Subrecipient Agreement, or
  - After the submission of the CAPER describing the activity for the last time.
- Three years is a minimum
  - The pass-through entity always had the authority to impose any additional conditions it considers appropriate.

## Review

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(5) Other Program Requirements – “The agreement shall require the subrecipient to carry out each activity in compliance with all Federal laws and regulations described in subpart K of these regulations.”

## Review

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(7) Reversion of assets – “The agreement shall specify that upon its expiration the subrecipient shall transfer to the recipient any CDBG funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG funds.”

## Review

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The Subrecipient Agreement may include **any additional requirements that the pass-through entity imposes on the subrecipient** in order for the pass-through entity to meet its own responsibility to HUD, including identification of any required financial and performance reports.

## Review

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How does the program participant ensure that its CDBG-funded subrecipients understand how to apply and meet the CDBG program requirements to the activities that they are carrying out?

*CPD Monitoring Handbook 6509.2 REV-7*



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## Review

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Training and technical assistance cannot be twice-a-year events.



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## Review

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Be totally upfront with prospective subrecipients...

“If we fund you, there are a lot of hoops you will be expected to jump through...

starting with the fact that as soon as you sign the Subrecipient Agreement your organization becomes a non-federal entity subject to the same rules – 2 CFR 200 – as we are.”

## Review

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The HUD monitor will want to know if the subrecipient has been made aware of resources specifically devoted to increasing its knowledge of the CDBG subrecipient process.



## Review

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### ➤ Important FFATA Definitions

- **Prime Awardee:** The entity receiving grant funding directly from a federal agency
- **Applicable Grant Programs:** CDBG
- **Subaward:** A legal instrument to provide support for the performance of the project/activity
- **First Tier Subaward:** Grant to an entity one level below prime awardee



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## Review

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### ➤ Subawards of \$25,000 or more must be reported to the Federal government

- Use the FFATA Subaward Reporting System (FSRS).

<https://www.fsrs.gov>

- Reports must be submitted no later than the end of the month following the month in which the subaward is obligated.
- Example: Funds are committed July 10 – grantee has until August 31 to file report



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## Review

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### Setting Up The Files – The Program File

- The NOFA
- Training Session Sign-In Sheets
- Print Out of Training Session Slide Show
- The Application Evaluation Tool
- Rejected Applications
- Letter to unsuccessful applicants
- General correspondence pertinent to the program

## Review

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Document the national objective

Do you have a piece of paper?

## Review

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Before funds can be committed an Environmental Review Record has to be completed.

Most public service projects will be Exempt, Not Subject to §58



## Review

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Provide enough detail that HUD and the public can determine what the project is about and if it is eligible.

#	Project Name
1	Administration/General Community Development
2	Housing - Homeowner Housing Rehab
3	Housing - Homeownership Assistance Direct
4	Housing - Acquisition of Real Property
5	Public Services - Healthcare
6	Public Services - Employment Training
7	Public Services - Abused and Neglected Children
8	Public Services - Elderly
9	Public Services - Youth Services
10	Public Services - Childcare Services
11	Public Services - Homeless Prevention
12	Public Services - Battered and Abused Spouses
13	Public Facilities
14	Administration/Fair Housing Activities

Table 7 – Project Information



## Enter IDIS

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### Public Service Matrix Codes

- 03T Operating Costs of Homeless/AIDS Patients Programs
- 05A Senior Services
- 05B Handicapped Services
- 05C Legal Services
- 05D Youth Services
- 05E Transportation Services
- 05F Substance Abuse Services
- 05G Services for Battered and Abused Spouses
- 05H Employment Training
- 05I Crime Awareness/Prevention
- 05J Fair Housing Activities (subject to Public Services cap)
- 05K Tenant/Landlord Counseling
- 05L Child Care Services



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## Enter IDIS

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### Public Service Matrix Codes

- 05M Health Services
- 05N Services for Abused and Neglected Children
- 05O Mental Health Services
- 05P Screening for Lead Poisoning
- 05Q Subsistence Payments
- 05R Homeownership Assistance (no housing counseling)
- 05S Rental Housing Subsidies
- 05T Security Deposits
- 05U Housing Counseling Only
- 05V Neighborhood Cleanups
- 05W Food Banks
- 05X Housing information and referral services
- 05Y Housing Counseling supporting downpayment assistance
- 05Z Other Public Services



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## Review

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Sometimes an activity can be described by two or more Matrix Codes – for example a Meals on Wheels program that serves both seniors and persons with disabilities.

In this case, rather than choosing between 05A and 05B, HUD would expect you to use 05Z.



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## Review

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### **Performance Objective**

- Creating a suitable living environment
- Providing decent housing
- Creating economic opportunities



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## Review

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### Performance Outcome

- Improving availability or accessibility of units or services
- Improving affordability of housing or services
- Improving sustainability by promoting viable communities

## Review

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On a day-to-day basis, what should the grantee be looking for?

“The majority of difficulties experienced by subrecipients lay in the area of financial management, administrative systems, documentation and record keeping.”

*Playing By the Rules*

## Review

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The Super Circular's confidentiality requirement:

(e) Take reasonable measures to safeguard protected personally identifiable information and other information the Federal awarding agency or the non-federal entity considers sensitive consistent with applicable Federal, state and local laws regarding privacy and obligations of confidentiality.

## Review

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The confidentiality requirement applies to both the grantee and subrecipients.

Is the process in writing?

Is the process followed?

## Review

---

Do you want subrecipient client Social Security numbers in your files?

Are there other data points best left in the subrecipient's files?



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## Review

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### Financial Management Systems

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li><input type="checkbox"/> Most recent Audit (if federal expenditures exceed \$750,000) [<i>\$200.501</i>]</li> <li><input type="checkbox"/> Statement from CPA if federal expenditures do not exceed \$750,000</li> <li><input type="checkbox"/> Current Approved Budget</li> <li><input type="checkbox"/> Financial Status Report</li> <li><input type="checkbox"/> Chart of Accounts</li> <li><input type="checkbox"/> Documentation of Match (if required)</li> <li><input type="checkbox"/> Documentation of negotiated indirect cost rate (if applicable)</li> </ul> | <ul style="list-style-type: none"> <li><input type="checkbox"/> Program Income Tracking ledger (if applicable)</li> </ul> <p><b>Reimbursement</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Payroll records – timesheets, salary schedule (if applicable)</li> <li><input type="checkbox"/> Payment Requests</li> <li><input type="checkbox"/> Source documentation</li> <li><input type="checkbox"/> Backup Documentation</li> </ul> <p><b>Advance</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Documentation supporting compliance with §200.305(b)(1) &amp; (b)(2)</li> </ul> |
|---|---|



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## Review

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Even after closeout, subrecipients have on-going responsibilities:

- Record retention;
- The obligation to open the files and their books;
- Any audit requirements that may pertain; and
- To return Federal funds if the grantee disallows costs or if CDBG funds are found to have been used for ineligible expenses.

## Review

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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.”

## Review

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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



## Review

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### Finding – Statutory or regulatory violation

6.

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

## Review

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



## Review

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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.

<p>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?</p>	<input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> <input type="checkbox"/> <b>N/A</b>
<p><b>Describe Basis for Conclusion:</b>  <span style="color: red;">No citation listed</span></p>	



## Before we get to The Test

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When you leave today's session, you will receive a link to a survey.

You can also find the link under the Media tab on their Personal Pass Access Page...

We value your opinions. Please help NCDA improve this course by taking the survey.



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## The Test

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- Exam link under the Media tab on your Personal Digital Pass...
- You have 2 hours to finish...
  - Need not be consecutive – you can save and return...
  - To return, enter your email address and create a password...
- You have until Nov. 24th at 8pm (EST) to complete the exam



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## The Test

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- This is an Open Book test, but please do not consult others!
- 50 questions
  - 35 correct answers passes
  - You must answer each question before you can move on, but you can go back and change answers
  - You can bookmark questions to go back to change answers



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## The Test

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- You will receive your results immediately after you finish...
- If you pass, you'll receive a pdf of your certificate that you can print out...



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## The Test

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### Open Book

You may consult the any other materials you have received during the class – or the internet. Remember there is a time limit. Please do not consult with another classmate.

Choose the letter of the answer that best answers the question.



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END OF COURSE!  
GOOD LUCK ON TEST!

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Enter the letter of the **MOST** correct  
answer



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