

City of Happy Valley
CDBG Subrecipient Desk Monitoring Checklist

Part 1: General Information

Subrecipient:		Notification Letter Sent:
Activity:		Date(s) of Site Visit:
IDIS #:	Program Year Examined:	Monitoring Letter Sent:
HCDD Monitoring Team:		
Entrance Conference Date _____ Attended by:		
Exit Conference Date _____ Attended by:		
Follow Up Required <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, provide details and dates:		

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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 (LMA)
- ☐ Limited Clientele Benefit (LMC)
- ☐ Low/Mod Housing Benefit (LMH)
- ☐ Job Creation or Retention (LMJ)

How is income determined?

- ☐ Presumed Benefit (If checked, which group? _____)
- ☐ Information on household and income
- ☐ Income requirements that limit service to LMI persons
- ☐ Nature and location of activity

Activity Matrix Code: _____

Part 3: Subrecipient Agreement Conformance - Activity Progress

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 HCDD was informed of the change.

2. Did the activity conform to any additional or special terms as reflected in the Subrecipient Agreement? ☐ Yes ☐ No ☐ N/A

3. Is the subrecipient providing the full scope of services as stated in the application and Subrecipient Agreement? ☐ Yes ☐ No

If No, which services are not being provided?

4. 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

5. a. Total number of unduplicated persons proposed to be served in the examined program year? _____

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- b. Total number of unduplicated persons served in the examined program year? ____
- c. Is this the same number reported by the agency on its final report? ☐ Yes ☐ No
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. Was there a change in make-up or responsibility of staff for the activity? ☐ Yes ☐ No
8. Were CDBG Program reports submitted on time? ☐ Yes ☐ No
9. The Subrecipient Agreement requires the Subrecipient to recognize the City as a funding source. Has the Subrecipient complied with this provision? ☐ Yes ☐ No
- a. If Yes, describe:
10. Does the Subrecipient display Fair Housing posters for the benefit of its clients? ☐ Yes ☐ No

Part 4: Internal Controls

Refer to 2 CFR Part 200.303 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards for Compliance with the CDBG Federal Award.

1. Did the organization maintain a program/activity file? ☐ Yes ☐ No
2. Did the organization maintain a Policies & Procedures Manual? ☐ Yes ☐ No
3. a. If Yes to 1 and/or 2, complete the Subrecipient Management Internal Controls Checklist. Are any of policies and procedures required by regulation for administering the activity and federal funds not in the file? ☐ Yes ☐ No
- b. If No to 1 and/or 2, where does the agency maintain CDBG-related documents?
- i. Are these documents easily accessible? ☐ Yes ☐ No
- ii. Do the documents maintained comply with the requirements of 2 CFR 200.303? ☐ Yes ☐ No
4. Does the organization maintain client files? ☐ Yes ☐ No
5. How does the agency protect personally identifiable information?

Part 5: Financial Management

1. Is the Subrecipient required to have a single audit per 2 CFR 200.501 (a)? ☐ Yes ☐ No
- a. If Yes, has the Subrecipient submitted its most recent audit? ☐ Yes ☐ No
- b. If No, has the Subrecipient submitted its most recent financial statement as presented to the board? ☐ Yes ☐ No
- c. After examining the single audit or financial statement, is there are reason the Subrecipient is at risk of noncompliance with the terms and conditions of the subaward or with Federal statutes and/or regulations? ☐ Yes ☐ No

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2. 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
3. Is there a separate account for CDBG or other Federal funds? ☐ Yes ☐ No
4. Is revenue and expenditure identified by specific source? ☐ Yes ☐ No
5. Are encumbrances or obligations recorded against CDBG funds when invoices, purchase orders, Subrecipient Agreements, staff time records are executed and do accounting records include unexpended/unobligated balances? ☐ Yes ☐ No
6. 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 Describe:
7. Is adequate control maintained of access to accounting records, blank forms, checkbooks and confidential records? (Basis for conclusion) ☐ Yes ☐ No
8. 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
9. Did the activity funding source change. ☐ Yes ☐ No

Part 6: Cost Eligibility

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

1. What type documentation for the activity expenses is required?
2. Were invoices for reimbursement payments submitted with support documentation ☐ Yes ☐ No
 - a. Number of invoices reviewed prior to payment _____
3. Maintenance of Source Documentation – Are accounting records (expenditures and invoices) supported by source documentation (i.e. receipts, invoices, time records, purchase orders, Subrecipient Agreements, cancelled checks reconciled general ledger) and other source documentation? ☐ Yes ☐ No
 - a. Was source documentation available for review? ☐ Yes ☐ No
4. Is income generated from the use of CDBG funds? ☐ Yes ☐ No If Yes, is the file clear how funds are generated and what happens to these program income funds? ☐ Yes ☐ No
5. How much non-CDBG funding has been leveraged by the activity year to date and from what source? (compare use of leveraged funds to the submitted budget, application, and Agreement)

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6. Do activity expenditures include any unallowable costs? (i.e., entertainment, travel, lobbying or donations to other organizations) ☐ Yes ☐ No
7. 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
8. 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
9. Were any activity funds committed or expended prior to the beginning of the program year?
☐ Yes ☐ No
10. Were any funds reimbursed from CDBG funds also reimbursed from any other revenue source?
☐ Yes ☐ No

Part 7: Documentation and Record Keeping

1. Does the Subrecipient’s activity/client file(s) provide source documentation indicting the National Objective of Benefiting Low and Moderate-Income Persons is being met and how the activity serves the needs of those persons? ☐ Yes ☐ No
2. Did the agency maintain records that identify the following?

(a) Income verification of clients	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
(b) Race of clients	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
(c) Ethnicity of clients	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
(d) Disability Status of Clients	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
(e) Age of Clients	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
(f) Client households led by females	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
(g) Appropriate time distribution records for employees working on both CDBG and non-CDBG activities when staff time is requested as an eligible reimbursement	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
(h) Procurement procedures for purchases	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
(i) Activity Progress	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

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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*]

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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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

Reimbursement

- ☐ Source documentation
- ☐ Backup Documentation

Advance

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

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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FINDINGS?

CONCERNS?

RECOMMENDATIONS?