**Community Development Block Grant – Disaster Recovery (CDBG-DR)**

**P.L. 116-20 and P.L. 115-254 Financial Management and Grant Compliance Certification for States and Grantees**

CDBG-DR Financial Management and Grant Compliance Certification Checklist for 2018 and 2019 Disasters

**Instructions to Grantees:**

The term “Grantee” refers to a state or unit of general local government that received a direct allocation from HUD of Community Development Block Grant Disaster Recovery (CDBG-DR) Funds appropriated by the Supplemental Appropriations for Disaster Relief Act, 2018 (P.L. 115-254, approved October 5, 2018) (2018 Appropriations Act) and the Additional Supplemental Appropriations for Disaster Relief Act, 2019 (P.L. 116-20, approved June 6, 2019) (2019 Appropriations Act).

The Appropriations Act requires that the Secretary certify, **in advance of signing a CDBG-DR grant agreement**, that the following requirements are met:

* That the Grantee has in place proficient financial controls;
* That the Grantee has in place proficient procurement processes;
* That the Grantee has established adequate procedures to prevent any duplication of benefits as defined by section 312 (42 U.S.C. 5155) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) (Stafford Act);
* That the Grantee has established adequate procedures to ensure timely expenditure of funds;
* That the Grantee has established adequate procedures to maintain comprehensive websites regarding all activities assisted with the CDBG-DR funds; and
* That the Grantee has established adequate procedures to detect and prevent fraud, waste, and abuse of funds.

CDBG-DR Compliance Certification:

In *Federal Register* notices published on February 9, 2018 at 83 FR 5844, August 14, 2018 at 83 FR 40314, February 19, 2019 at 84 FR 4836, and June 20, 2019 at 84 FR 28848 (the ‘‘Prior Notices’’), HUD described the grant award process for 2017 disasters, and the *Federal Register* Notice that announced these funds (the Notice) imposes the requirements of the Prior Notices, as amended. The Notice requires all CDBG-DR grantees to complete this Public Law 116-20 Financial Management and Grant Compliance Certification (the “Compliance Certification”) to enable the Secretary’s review of these matters and to support his certification, unless that CDBG-DR grantee received a previous allocation for disasters in 2016 and 2017. A grantee that received a certification of its financial controls and procurement processes pursuant to a 2016 or 2017 disaster may exercise the option to request that HUD rely on its previous certification and supporting documentation. However, those grantees shall be required to provide updates to reflect any material changes in those submissions.

**NOTE: Since this document requires grantees to choose from a drop-down menu, this form can only be filled out electronically. Please ensure that this form is filled electronically and then submitted to HUD.**

To complete this Compliance Certification, Grantees must respond to every applicable question and prompt, as directed in this document (note the instructions on the next page explaining the applicability of the Part A sections depending on the Grantee). This includes providing identifying information, responding to all required questions and prompts in Parts A through F by indicating “Yes” or “No” (or “N/A”) as appropriate, completing the Certification in Part H, submitting appropriate support documentation when requested, and completing the tables that identify submitted support documents and requested cross-references.

If the Grantee believes they comply with the requirement, the response should be “Yes” – and the Grantee must provide supporting documentation that demonstrates how the Grantee will comply with the requirement, cross-references to any document(s) provided, and an explanation where requested.

CPD Specialists or CPD Representatives, and CPD Financial Analysts can assist the Grantee in completing Parts A through H of the Compliance Certification.

There are two Part As, the first is Part A for Local Government Financial Standards and the second is Part A for State Government Financial Standards. Grantees must respond to one of these Part As or both in accordance with the following: Grantees subject to Entitlement CDBG program requirements must fill out only Part A for Local Government Financial Standards. Grantees subject to State CDBG program requirements that have chosen to apply the provisions in 2 CFR part 200 to satisfy the fiscal controls and accounting procedures requirements at 24 CFR 570.489(d) must fill out Part A for Local Government Financial Standards AND Part A for State Government Financial Standards. Grantees subject to State CDBG program requirements that have chosen not to apply the provisions of 2 CFR part 200 to satisfy the fiscal and accounting procedures requirements at 24 CFR 570.489(d) must fill out only Part A for State Government Financial Standards.

The questions Grantees must respond to in this document reflect existing requirements and should not be read to impose additional requirements. Most questions and prompts include citations in brackets, which have been provided for convenience to identify sources that served as the basis for the development of these questions.

For the life of the grant, the Grantee is required to adhere to the controls, processes, and procedures described in this Compliance Certification and related supporting documentation submitted to HUD that formed the basis of the certification, which shall only be amended with HUD’s approval.

Grantees must submit this document and all required information to the Grantee’s designated HUD representative. The designated HUD representative from Headquarters or the Field Office (FO) will review the Grantee’s submission and also complete and sign the Compliance Certification, including the “HUD only” portion, to determine whether it was satisfactorily completed by the Grantee. When a FO HUD representative is not available, the CPD FO Director will designate an alternate HUD representative for the FO representative. When a Headquarters HUD representative is not available, the Director of the Disaster Recovery and Special Issues Division will designate an alternate HUD representative for the Headquarters representative.

Questions on this checklist may be submitted to Disaster\_Recovery@hud.gov. In the alternative, Grantees may call (202) 708-3587.

**Grant agreements will not be executed until HUD has approved the Grantee’s certifications and the Secretary has signed the corresponding *Certification of Proficient Financial Controls, Processes, and Procedures for Community Development Block Grant Disaster Recovery Funding* required by P.L. 116-20.**

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| **Public Laws 116-20 and 115-254: Guide for Review of Financial Management for CDBG-DR Grantees** | | |
| **Grantee** | Name of Grantee: | |
| Staff Consulted: | |
| Name and Title of Grantee Staff Completing Form: | |
| Signature: | Click or tap to enter a date. |
| HUD CPD Representative Consulted: | |
| Name and Title of HUD Staff Completing Form: | |
| Signature: | Click or tap to enter a date. |

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| **HUD** | HUD Financial Analyst Consulted: | |
| Name and Title of HUD Staff Completing Form: | |
| Signature: | Click or tap to enter a date. |

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| **Grantees must identify the type of recipient receiving CDBG-DR grant funds in order to determine which Part A the Grantee will complete:** | |
| 1. Local Government Grantee (If yes, proceed to the next page) | Choose an item. |
| 1. State Government Grantee or a Grantee Subject to State CDBG Requirements (AND have chosen **not** to apply the provisions of 2 CFR part 200 to satisfy the fiscal and accounting procedures requirements at 24 CFR 570.489(d)) (If yes, proceed to Page 21) | Choose an item. |
| 1. State Government Grantee or a Grantee Subject to State CDBG Requirements (AND have chosen to apply the provisions of 2 CFR part 200 to satisfy the fiscal and accounting procedures requirements at 24 CFR 570.489(d)) (If yes, proceed to next page; fill out both Part A for Local Governments AND Part A for State Governments) | Choose an item. |

**PART A for Local Government Financial Standards**

### A.1. Financial Management

Each Grantee must have financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the CDBG-DR award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the grant requirements. 2 CFR 200.302(a). The financial management system of each Grantee must provide for the information required by 2 CFR 200.302(b).

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| 1. Do the Grantee’s financial management policies and procedures describe how it will establish records within its financial management system that show the source and application of funds for CDBG-DR funded activities? At a minimum, do the procedures demonstrate that the system will document the CDBG-DR grant award (the CFDA title and number, Federal award identification number and year, name of the Federal agency), authorizations, obligations, unobligated balances, assets, expenditures, program income (as defined by the Prior Notices), and interest? [2 CFR 200.302(b)(1) and (3)] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, documentation may include audited annual financial statements and copies of financial policies that describe how the grantee accounts for a HUD program in a separate accounting fund (e.g., Special Revenue Fund), or if the funds are not in a separate accounting fund, how the funds are traceable, and that the level of detail recorded includes information about the CDBG-DR grant award (the CFDA title and number, Federal award identification number and year, name of the Federal agency), authorizations, obligations, unobligated balances, assets, expenditures, program income (as defined by Prior Notices), and interest:   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 1.a. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your conclusion: | | |
| 1. Do the Grantee’s policies and procedures describe record creation, maintenance, and retention requirements that describe how the grantee will maintain source documentation to support the financial management system records identified in question 1.a)? [2 CFR 200.302(b)(3); 2 CFR 200.302(a)] | Grantee | HUD |
| Choose an item. | Choose an item. |
| 1. Do the Grantee’s policies and procedures require that records pertaining to obligations, expenditures, and drawdowns will be able to relate financial transactions to either the CDBG-DR grant or to program income? [Notice, 24 CFR 570.506(h)] | Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, the grantee’s submissions may include its policies and procedures for maintaining contracts, invoices, purchase orders, subrecipient agreements, requests for payments and other documentation used to manage grant funds and identify which financial or other data contained in those documents will be entered into the grantee’s accounting system records, e.g., by providing standard forms or template documents that are used for requests for payments, purchase orders, or other source documentation:   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 1.b. and 1.c. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |
| 1. Does the Grantee’s financial management system provide for a comparison of expenditures to the budget amounts for the CDBG-DR award? [2 CFR 200.302(b)(5)] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, a grantee can submit policies and procedures that identify the frequency and process for comparing grantee expenditures documented in accounting records to ensure grantees are staying with the approved budget in its HUD approved and DRGR Action Plans.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 1.d. for the CDBG-DR grant:  HUD staff: Indicate the basis for your response: | | |
| 1. Does the Grantee record in its financial management system an obligation when contracts are executed, purchase orders issued, etc.? [2 CFR 200.302(b)(2) - (3)] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, a grantee can provide its financial and accounting policies and procedures and indicate the page number for the policy describing when funds will be obligated/encumbered and how the grantee will document the obligations/encumbrances in its records:   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 1.e. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |
| 1. Does the Grantee identify expenditures in its financial management system according to classifications that identify the use of CDBG-DR funds for eligible activities permitted by the Notice and the Prior Notices? [2 CFR 200.302(a) and (b)(3)] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, a grantee may submit financial and accounting policies and procedures and indicate where and how these procedures require expenditures reported through DRGR to be reconciled with and linked to the grantee’s financial management systems, so that an auditor or reviewer reviewing the grantee’s financial management systems can see how each expenditure is attributed to an eligible activity:   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 1.f. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |
| 1. Do the Grantee’s policies and procedures show that records will be sufficient to permit the preparation of mandatory reports that the grantee is required to submit, including procedures that require reconciliation of the obligations, expenditures, and program income (as defined by the Prior Notices) submitted to HUD in the Disaster Recovery and Grant Reporting System (DRGR), Quarterly Performance Reports (QPR), or other applicable report(s) with the Grantee’s financial and accounting records for each reporting period? [2 CFR 200.302(a) and (b)(3); 24 CFR 570.506] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, a grantee may submit financial and accounting policies and procedures and indicate where and how these procedures require expenditures reported through DRGR and QPRs to be reconciled with information in the grantee’s financial and accounting systems:   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 1.g. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

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| Does the Grantee’s financial management system demonstrate that it will have effective control over, and accountability for, all funds, property, and other assets to ensure they are used solely for authorized purposes? [2 CFR 200.302(b)(4)] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, the grantee may submit internal control policies and procedures for maintaining property and other assets funded through the CDBG-DR grant and identify how those policies comply with the applicable regulation:   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 2. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

### A.2. Internal Controls

The Grantee must establish and maintain effective internal controls over the Federal award that provides reasonable assurance that the Grantee is able to manage the Federal award in compliance with this part. 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 (known as the "Green Book") or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The grantee receiving Federal awards must establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. Five components of internal control are Control Environment; Risk Assessment; Control Activities; Information and Communication; and Monitoring Policies/Procedures. [2 CFR 200.303(a)]

The definitions of internal control in these documents are intentionally broad. The evaluation of the effectiveness of the Grantee's internal control system likewise must cover a broad range of considerations (e.g., procurement, cost principles,). Further, the audit requirements in 2 CFR part 200, Subpart F include procedures to evaluate the auditee's internal control system. Therefore, the questions below are limited in scope. However, the HUD reviewer should take these considerations into account, together with the questions below, in making an overall assessment of the adequacy of the Grantee’s internal controls.

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| 1. Does the Grantee perform self-assessments of its internal control system? | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, grantee may submit financial management policies and procedures; a monitoring policy indicating how and why monitoring is conducted, the frequency of monitoring, and which items are monitored; demonstrate that it has an internal auditor and include a document signed by the internal auditor that describes his or her role in detecting fraud, waste, and abuse:   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 3.a. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |
| 1. Does the Grantee take reasonable measures to safeguard protected personally identifiable information (PII) and other information that HUD or a pass-through entity designates as sensitive, or the Grantee considers sensitive, consistent with applicable Federal, state, local, and tribal laws regarding privacy and obligations of confidentiality? [2 CFR 200.303(e)] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, grantee can submit a copy of the grantee’s policies and intended procedures for protecting PII and other safeguard measures:   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 3.b. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |
| 1. Does the Grantee have an organization chart or other documentation that sets forth the actual lines of responsibility for the CDBG-DR award? | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, grantee can submit an organizational chart showing the intended staffing plan for management of the CDBG-DR grant. The chart would indicate positions that are already filled, as well as those to be developed, and should also identify any contract staff that are intended to be included in the management of major program areas.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 3.c. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |
| 1. Are duties and responsibilities segregated (to the extent practicable) so that no one individual has complete authority over a financial transaction? | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, grantee submits a set of work-flow diagrams for major program areas (including financial management), position descriptions (identifying a chain of command) or policies and procedures that ensure checks and balances and separate of duties are in place (such as precluding one person from issuing purchase orders, receiving merchandise, and approving payment vouchers):   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 3.d. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

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### **A.3. Payment and Financial Reporting**

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| 1. If the Grantee transfers grant funds to subrecipients, does the Grantee have procedures to ensure the time elapsing is minimized between the receipt of funds from the Federal government and the transfer of funds to the subrecipients? [2 CFR 200.305(b)]   NOTE: N/A response may only be used if Grantee will not be using any subrecipients under the grant. | Grantee | HUD |
| Choose an item. | Choose an item. |
| If applicable, Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, grantee submits financial management procedures that ensure funds paid to subrecipients are disbursed within approximately 3 days. The policy should include the process used to confirm timely use of funds by subrecipients.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 4.a. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |
| 1. If the Grantee will request funds in advance, does the Grantee have procedures to minimize the time elapsing (a target of 3 days) between the transfer of funds from the U.S. Treasury and disbursement by the Grantee for direct program or project costs and the proportionate share of any allowable indirect costs, limit advance payments to the minimum amounts needed, and time advance payments to be in accordance with the actual, immediate cash requirements of the Grantee in carrying out the purpose of the approved project or program?   NOTE: The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the Grantee. [2 CFR 200.305(b)(1)]  NOTE: N/A response may only be used if the grantee has a policy to draw funds on a reimbursement basis only – after payment has been made by the grantee using grantee funds. In that case, grantee must still provide a copy of their policy and provide appropriate cross-references below. | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, grantee submits procedures that identify responsible staff positions and includes action steps that include a determination that the funds to be drawn will likely be disbursed within approximately 3 days.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 4.b. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

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| 1. Does the Grantee have policies and procedures to disburse funds available from program income (PI) as defined by the Prior Notices (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash payments? [2 CFR 200.305(b)(5)] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, grantee submits policies and procedures that include action steps to determine and track the amount of available balances of PI and revolving loan funds.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 5.a. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |
| 1. Does the Grantee have procedures to ensure advance payments of CDBG-DR funds will be deposited and maintained in insured accounts whenever possible? [2 CFR 200.305(b)(7)(ii)]   NOTE: N/A Response may only be used if the Action Plan or financial policies state that no advance payments will be made. | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, grantee submits procedures that include action steps indicating that if advance payments are made, such funds will be maintained in an insured account.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 5.b. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

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### A.4. Improper Payments

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| 1. Does the Grantee have procedures to ensure that program expenditures will not result in improper payments? [2 CFR 200.302(b)(4)]   Improper payments mean any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements and includes payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper. [2 CFR 200.53] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, grantee submits procedures that include processes for determining cost allowability – both programmatic and financial - as well as plans for determining cost allocation.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 6.a. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |
| 1. Does the Grantee have procedures to take prompt and appropriate corrective action(s) to address any identified improper payments? [2 CFR 200.302(b)(4) and 2 CFR 200.303(d)] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, grantee submits procedures that include steps to recapture and/or repay grant funds, as needed. The procedures should include accounting procedures to manage applicable credits and/or returning funds to the Line of Credit or the Treasury when needed.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 6.b. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

### A.5. Program Income

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| --- | --- | --- |
| Does the Grantee have procedures that require the use of the Disaster Recovery Grant Reporting (DRGR) system to account for and manage program income, as defined by the Notices, including program income received by subrecipients in a timely and accurate manner? [the Prior Notices] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, grantee submits its chart of accounts established to track program income and policies and procedures for managing PI. Policies should indicate the grantee will use program income before drawing additional grant funds and ensures that program income retained by one organization will not affect grant draw requests for other organizations.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 7. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

8.

|  |  |  |
| --- | --- | --- |
| Does the Grantee have procedures to ensure the timely transfer of any funds required to be returned by subrecipients to the Grantee and the timely transfer of outstanding loans or accounts receivable owed by subrecipients to the Grantee upon the expiration of agreements between the Grantee and its subrecipients? [2 CFR 200.302(b)(4); 24 CFR 570.503(b)(7)]  NOTE: N/A response may only be used if Grantee will not be using any subrecipients under the grant. | Grantee | HUD |
| Choose an item. | Choose an item. |
| If this question is applicable, Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, grantee submits procedures for closing subrecipient agreements, including return of unused funds or accounts receivables after the subrecipient agreement has expired.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 8. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

### A.6. Revision of Budget and Program Plans

9.

|  |  |  |
| --- | --- | --- |
| Does the Grantee have procedures to ensure that any changes made to the approved budget, scope, or objectives will be identified to HUD? And that any substantial changes will be approved by HUD? [the Prior Notices] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, Grantee submits policies and procedures with action steps that include submitting timely and accurate data in DRGR and the submission of substantial and non-substantial AP amendments, a definition of a substantial amendment, and timely submission of QPRs.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 9. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

### A.7. Period of Performance

10.

|  |  |  |
| --- | --- | --- |
| Does the Grantee have policies and procedures to ensure it will charge to the HUD award only allowable costs incurred during the period of performance (except as described in §200.461, Publication and printing costs) and authorized pre-award costs? [2 CFR 200.309] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, the Grantee’s submission may include policies and procedures incorporating the CDBG-DR expenditure and performance projections described in the applicable Federal Register Notices which indicate the grant will be fully expended within the six-year expenditure period; indicate which personnel are responsible for reviewing timeliness of expenditures and how often; indicate which personnel are responsible for reviewing timeliness of expenditures and how often; indicate which personnel are responsible for reviewing cost eligibility prior to and after disbursement; and indicate the actions the grantee will take if ineligible costs are identified and when expenditures are not consistent with projections to meet the six-year expenditure deadline.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 10. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

### A.8. Record Retention and Access

11.

|  |  |  |
| --- | --- | --- |
| Does the Grantee have policies and procedures to comply with applicable record retention and access requirements – either the record retention and access requirements at 24 CFR 570.502 for Grantees subject to Entitlement CDBG program requirements or the record retention and access requirements at 24 CFR 570.490 for Grantees subject to State CDBG program requirements? [24 CFR 570.502; or 24 CFR 570.490] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, the grantee submits procedures demonstrating that it will retain all records, including subrecipient records, for the amount of time identified in the regulations noted above.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 11. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

## **PART A for State Government Financial Standards**

### A. 1. Financial Management

1.

|  |  |  |
| --- | --- | --- |
| 1. Does the Grantee have fiscal and administrative requirements for expending and accounting for all CDBG-DR funds received, which: 2. are sufficiently specific to ensure that CDBG-DR funds received are used in compliance with all applicable statutory and regulatory provisions and the terms and conditions of the award; 3. ensure that CDBG-DR funds received are only spent for reasonable and necessary costs; 4. ensure that CDBG-DR funds received are not used for general expenses to carry out other responsibilities of State and local governments? [24 CFR 570.489(d)] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, grantee submits a copy of the most recent audited annual financial statements and financial policies to explain how grant funds will be accounted for and determined to be necessary and reasonable:   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 1.a. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |
| 1. Does the Grantee have policies and procedures to maintain adequate source documentation to demonstrate that CDBG-DR funds are: 2. used in compliance with all applicable statutory and regulatory provisions and the terms and conditions of the award, 3. only spent for reasonable and necessary costs, and 4. not used for general expenses to carry out other responsibilities of State and local governments? [24 CFR 570.490, 2 CFR 200.403(g), the Prior Notices] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, the Grantee’s policies and procedures for maintaining contracts, invoices, purchase orders, subrecipient agreements, requests for payments and other documentation used to manage grant funds and how the financial data within those documents will be entered into the grantee’s accounting system records.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 1.b. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

### A.2. Payment and Financial Reporting

2.

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| --- | --- | --- |
| 1. Payments under awards that are not governed by a Treasury-State Cash Management Improvement Act (CMIA) agreement or are not otherwise covered by subpart A of 31 CFR Part 205, must comply with subpart B of that part. If the CDBG-DR award is subject to subpart B, does the Grantee have policies and procedures to ensure the timing and amount of funds transfers as close as is administratively feasible to the State's actual cash outlay for direct program costs and the proportionate share of any allowable indirect costs? [31CFR 205.33(a)] If the award is governed by a Treasury-State CMIA, check N/A. | Grantee | HUD |
| Choose an item. | Choose an item. |
| If this question is applicable, Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, a grantee may submit policies and procedures that identify responsible staff positions and includes action steps that include a determination that the funds to be drawn will likely be disbursed within approximately 3 days.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 2.a. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |
| 1. If the State transfers grant funds to subrecipients, does the State have policies and procedures to minimize the time elapsing between the receipt of funds from the Federal government and the transfer of funds to the subrecipients? [31 CFR Part 205, Subpart B] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, a procedure to verify payments are due at the time funds are disbursed.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 2.b. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

3.

|  |  |  |
| --- | --- | --- |
| Does the Grantee have policies and procedures to disburse funds available from program income (as defined by the Prior Notices), before requesting additional cash payments?  NOTE: The Prior Notices include a separate requirement for the disbursement of program income before additional grant funds are drawn for program income in the form of payments to a revolving fund. Payments to a revolving fund are program income and must be substantially disbursed from the revolving fund before additional grant funds are drawn from the U.S. Treasury for payments that could be funded from the revolving fund. Other program income shall be used or distributed before additional withdrawals from the U.S. Treasury are made to the maximum extent feasible. | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, grantee submits financial management procedures with action steps that include a determination of available balances of PI and RL funds.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 3. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

### A.3. Program Income

4.

|  |  |  |
| --- | --- | --- |
| Does the Grantee have procedures that require the use of the Disaster Recovery Grant Reporting (DRGR) system to account for and manage program income, as defined by the Prior Notices, including program income received by subrecipients in a timely and accurate manner? [the Prior Notices] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, grantee submits financial procedures that demonstrate its own financial systems will track PI and includes action steps to ensure its own systems accurately compare to the information entered into DRGR.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 4. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

5.

|  |  |  |
| --- | --- | --- |
| 1. Does the Grantee have a system to track program income (as defined by the Prior Notices) retained by the subrecipient to ensure that such income is reported in a timely and accurate manner?   NOTE: N/A Response may only be used if the Action Plan indicates there will not subrecipients under the grant, or that PI will not be generated by any subrecipients that are established under the grant. | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, Grantee submits procedures that ensure all program income is drawn prior to any additional grant funds are drawn.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 5.a. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |
| 1. Upon expiration of any agreements between the Grantee and its subrecipients, does the Grantee have a system to ensure the timely transfer of any funds required to be returned to the Grantee; and/or the timely transfer of outstanding loans or accounts receivable?   NOTE: N/A Response may only be used if the Action Plan indicates there will not be any subrecipients under the grant. | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, Grantee submits procedures documenting how the grantee expects the subrecipient to transfer funds or a subrecipient agreement template that outlines the requirement.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 5.b. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

### A.4. Revision of Budget and Program Plans

6.

|  |  |  |
| --- | --- | --- |
| Does the Grantee have procedures to ensure that any changes made to the approved budget, scope, or objectives will be identified to HUD? And that any substantial changes will be approved by HUD? [the Prior Notices] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, Grantee submits policies and procedures with action steps that include submitting timely and accurate data in DRGR and the submission of substantial and non-substantial AP amendments, a definition of a substantial amendment, and timely submission of QPRs.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 6. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

### A.5. Period of Performance

7.

|  |  |  |
| --- | --- | --- |
| Does the Grantee have policies and procedures to ensure it will charge to the HUD award only allowable costs incurred during the period of performance and authorized pre-award costs? | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, the Grantee’s submission may include policies and procedures incorporating the CDBG-DR expenditure and performance projections described in the applicable Federal Register Notice which indicate the grant will be fully expended within the six-year expenditure period; indicate which personnel are responsible for reviewing timeliness of expenditures and how often; indicate which personnel are responsible for reviewing cost eligibility prior to and after disbursement; and indicate the actions the grantee will take if ineligible costs are identified and when expenditures are not consistent with projections to meet the six-year expenditure deadline.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 7. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

### A.6. Record Retention and Access

8.

|  |  |  |
| --- | --- | --- |
| Does the Grantee have policies and procedures to comply with applicable record retention and access requirements at 24 CFR 570.490? | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, the grantee submits procedures demonstrating that it will retain all records, including subrecipient records, for the amount of time identified in the regulation noted above.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 8. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

## PART B. Audit Requirements

**Instructions:**

A Grantee that expends $750,000 or more during the Grantee’s fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of 2 CFR part 200, Subpart F, *Audit Requirements*. Grantees that provide Federal awards to subrecipients are referred to as “pass-through entities.” A subrecipient must also have a single or program-specific audit if it meets the $750,000 expenditure threshold. Pass-through entities are required by 2 CFR 200.331 to ensure compliance with Subpart F. A Grantee that expends less than $750,000 in Federal awards during the entity's fiscal year is exempt from audit requirements for that year, except as noted in 2 CFR 200.503. This section of questions is designed to assist the HUD reviewer in determining whether the Grantee is able to comply with the required elements of an audits management system.

1.

|  |  |  |
| --- | --- | --- |
| Does the Grantee have policies and procedures to ensure a single or program-specific audit is conducted in accordance with 2 CFR part 200, Subpart F in the event the Grantee expends $750,000 or more in Federal awards during the Grantee’s fiscal year? [2 CFR 200.501(a)]  NOTE: Grantee should also provide their most recent FY audit or single-audit for prior CDBG, CDBG-DR, or CDBG-MIT funding. | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, the Grantee’s submission may include policies and procedures for determining their annual expenditure amount and securing a program-specific or single audit when the expenditure threshold has been met:   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 1. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

2.

|  |  |  |
| --- | --- | --- |
| Does the Grantee have policies and procedures for the auditee, as defined by 2CFR 200.6, to prepare financial statements, including the schedule of expenditures of Federal awards, required by 2 CFR 200.510? [2 CFR 200.508(b)] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, Grantee submits accounting policies and procedures that include action steps for preparing and maintaining financial statements.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 2. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

3.

|  |  |  |
| --- | --- | --- |
| Does the Grantee have policies and procedures requiring the auditee to promptly follow up and take corrective action on audit findings, including preparation of a summary schedule of prior audit findings and a corrective action plan in accordance with 2 CFR 200.511(b) and 2 CFR 200.511(c), respectively? [2 CFR 200.303(d) and 2 CFR 200.508(c)] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, Grantee submits procedures identifying how long it will take the auditee to respond to audit findings and apply corrective actions, and these timeframes are reasonable and prompt.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 3. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

4.

|  |  |  |
| --- | --- | --- |
| Does the Grantee have policies and procedures for the auditee to electronically submit to the Federal Audit Clearinghouse the data collection form described in 2 CFR 200.512(b) and reporting package described in 2 CFR 200.512 (c) within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period? [2 CFR 200.512(a) and (d)] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, Grantee submits procedures relating to the Federal Audit Clearinghouse that meet the above requirements.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 4. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

5.

|  |  |  |
| --- | --- | --- |
| 1. Does the Grantee have policies and procedures to inform subrecipients of the 2 CFR part 200, Subpart F audit requirements at the time of the subaward? [2 CFR 200.331(a)(2)]   NOTE: N/A Response may only be used if the Action Plan indicates there will no subrecipients under the grant. | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, the Grantee’s submission may include policies and procedures for notifying subrecipients of the audit requirements as well as a copy of a subrecipient agreement or template including provisions imposing the audit requirements:   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 5.a. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |
| 1. Does the Grantee have policies and procedures to verify that every subrecipient is audited, as required by Subpart F, when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the $750,000 expenditure threshold? [2 CFR 200.331(f)]   NOTE: N/A Response may only be used if the Action Plan indicates there will no subrecipients under the grant. | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, the Grantee’s submission may include policies and procedures for determining when a subrecipient has met the expenditure threshold, taking into consideration the subrecipients expenditure of all Federal awards during its fiscal year.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 5.b. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |
| 1. Does the Grantee have policies and procedures to ensure that the subrecipients take timely and appropriate action on all deficiencies pertaining to HUD awards it provided to subrecipients that were detected through audits, on-site reviews, and other means? [2 CFR 200.331(d)(2)] | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, the Grantee submits its subrecipient audit monitoring plan and procedures for ensuring audit results have been implemented. The policy should include possible sanctions that will be imposed by the grantee for subrecipient non-compliance.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 5.c. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |
| 1. Does the Grantee have policies and procedures to issue a management decision for audit findings that relate to HUD awards that it makes to subrecipients? [2 CFR 200.331(d)(3)]   NOTE: N/A Response may only be used if the Action Plan indicates there will no subrecipients under the grant. | Grantee | HUD |
| Choose an item. | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references. For example, the Grantee submits its subrecipient audit monitoring plan and procedures for ensuring audit results have been implemented. The policy should include procedures for issuing management decisions in response to applicable audit findings.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirement in 5.d. for the CDBG-DR grant:  HUD Staff: Indicate the basis for your response: | | |

## PART C. Procurement Processes

**Instructions:**

All Grantee procurement processes/standards must uphold the principles of full and open competition with evaluation of the cost or price of the product or service. Local governments have proficient procurement policies and processes if those policies and processes are consistent with the specific applicable procurement standards identified in 2 CFR 200.318 through 200.326. State Grantees may:

1. Adopt 2 CFR 200.318 through 200.326; or
2. Follow the Grantee’s own procurement policies and procedures and establish requirements for procurement policies and procedures for local governments and subrecipients based on full and open competition pursuant to 24 CFR 570.489(g), provided that the procurement requirements include evaluation of the cost or price of the product or service; or
3. Adopt 2 CFR 200.317, meaning that the Grantee follows the Grantee’s own procurement policies and procedures and evaluate the cost or price of the product or service, but impose 2 CFR 200.318 through 200.326 on its subgrantees and subrecipients.

Therefore, a Grantee must ONLY answer either question 1., 2., or 3. below, depending on which question corresponds to procurement option selected by the Grantee from (1), (2), or (3) above. All Grantees must answer question 4.

|  |  |  |
| --- | --- | --- |
| 1. Is the grantee a Local Government or a State Grantee that has adopted the specific procurement standards at 2 CFR 200.318 through 200.326? | Grantee | HUD |
| Choose an item. | Choose an item. |
| If yes, answer i-iii below; if N/A move to question 2: | | |
| 1. Has the Grantee attached a copy of its procurement policies and procedures that incorporate 2 CFR 200.318 through 200.326? | Choose an item. | Choose an item. |
| 1. Do the procurement processes uphold the principles of full and open competition with evaluation of cost or price of the product or service? | Choose an item. | Choose an item. |
| 1. Do the standards indicate which personnel or unit is responsible for each item, along with contact information? | Choose an item. | Choose an item. |
| 1. Has the State Grantee opted to follow its own procurement processes and standards? | Choose an item. | Choose an item. |
| If yes, answer i-iii below; if N/A move to question 3: |  |  |
| 1. Has the Grantee attached its procurement policies and procedures and does the overall effect of the standards provide for full and open competition? | Choose an item. | Choose an item. |
| 1. Do the procurement processes uphold the principles of full and open competition with evaluation of cost or price of the product or service and establish procurement policies and procedures for local governments and subrecipients based on full and open competition consistent with the requirements of 24 CFR 570.489(g), and require an evaluation of cost or price of the product or service? | Choose an item. | Choose an item. |
| 1. Do the processes indicate which personnel or unit is responsible for each item, along with contact information? | Choose an item. | Choose an item. |
| 1. Has the State Grantee adopted the specific procurement requirement at 2 CFR 200.317? | Choose an item. | Choose an item. |
| If yes, answer i-iii below; if N/A move to question 4: |  |  |
| 1. Has the Grantee attached a copy of its procurement policies and procedures that incorporate 2 CFR 200.317 by showing that it will follow its own procurement policies and procedures, but impose 2 CFR 200.318 through 200.326 on its subgrantees and subrecipients? | Choose an item. | Choose an item. |
| 1. Do the procurement processes uphold the principles of full and open competition with evaluation of cost or price of the product or service? | Choose an item. | Choose an item. |
| 1. Do the standards indicate which personnel or unit is responsible for each item, along with contact information? | Choose an item. | Choose an item. |
| 1. Has the grantee provided HUD with a legal opinion that it has proficient procurement policies and procedures. | Choose an item. | Choose an item. |
| HUD ONLY: Has the Grantee met the requirements of question 1., 2., or 3., and fulfilled the requirements of question 4.? | | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirements of question 1., 2., or 3., and fulfilled the requirements of question 4.?  HUD Staff: Indicate the basis for your response: | | |

## PART D. Procedures for Prevention of Duplication of Benefits

|  |  |  |
| --- | --- | --- |
| 1. Has the Grantee attached its uniform prevention of duplication of benefits procedures? | Grantee | HUD |
| Choose an item. | Choose an item. |
| Do these procedures identify the Grantee’s processes for: | | |
| 1. Verifying all sources of disaster assistance received by the Grantee or applicant prior to the award of CDBG-DR funds to the applicant, as applicable? (For example, to meet the requirements above the Grantee may describe its use of a data feed received from FEMA or SBA, and/or describe its data sharing agreement with other Federal agencies to ensure the best available data.) | Choose an item. | Choose an item. |
| 1. Determining the Grantee’s or an applicant's unmet need(s) before committing funds or awarding assistance? (For example, documentation may include the Grantee’s description of how it will use inspection services to validate an applicant’s unmet need at a point in time.) | Choose an item. | Choose an item. |
| 1. Ensuring beneficiaries agree to repay any duplicative assistance if they later receive other duplicative disaster assistance for the same purpose? (For example, documentation may include the Grantee’s description of how it will use subrogation agreements with its applicants and a way to monitor compliance with that agreement for a reasonable period.) | Choose an item. | Choose an item. |
| 1. Providing that, prior to the award of assistance, the Grantee will use the best, most recent available data from FEMA, the Small Business Administration (SBA), insurers, and any other sources of funding to prevent the duplication of benefits? (For example, to meet the requirements above the Grantee may describe its use of a data feed received from FEMA or SBA, and/or describe its data sharing agreement with other Federal agencies to ensure the best available data.) | Choose an item. | Choose an item. |
| 1. Reflect the treatment of loans that is consistent with the requirements of the Declined Loans Provision and the Disaster Recovery Reform Act (Pub. L. 115–254, Division D, “DRRA”) as applicable and explained in the 2019 DOB Notice (84 FR 28836))? (For example, to meet the requirements above the Grantee will describe that a subsidized loan declined by the applicant, and any subsidized loan accepted by the applicant and used for a disaster related loss, is not a duplication of benefits. A grantee’s policies may choose to include these types of assistance in its necessary and reasonable analysis but should not consider them a duplication of benefits.) | Choose an item. | Choose an item. |
| 1. Do the procedures indicate which personnel or unit is responsible for each task along with contact information? | Choose an item. | Choose an item. |
| HUD ONLY: Has the Grantee met the requirements of questions 1. and 2.? | | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references.   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  |   Grantee: Explain how the information in the policy, procedure, or system referenced above is sufficient to show compliance with the requirements of questions 1. and 2.?  HUD Staff: Indicate the basis for your response: | | |

## PART E. Procedures to Determine Timely Expenditures

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| --- | --- | --- |
| 1. Has the Grantee attached procedures to determine timely expenditures? | Grantee | HUD |
| Choose an item. | Choose an item. |
| 1. Do the procedures indicate how the Grantee will track expenditures each month? | Choose an item. | Choose an item. |
| 1. Do the procedures indicate how the Grantee will monitor expenditures of its subrecipients? | Choose an item. | Choose an item. |
| 1. Do the procedures indicate how the Grantee will account for and manage program income? | Choose an item. | Choose an item. |
| 1. Do the procedures indicate how the Grantee will reprogram funds in a timely manner for activities that are stalled? | Choose an item. | Choose an item. |
| 1. Do the procedures indicate how the Grantee will project expenditures to expend 100% of its allocation of CDBG-DR funds on eligible activities within the period of performance (e.g., 6 years of HUD’s execution of the grant agreement)? | Choose an item. | Choose an item. |
| 1. Do the procedures indicate which personnel or unit are responsible for the task along with contact information? | Choose an item. | Choose an item. |
| HUD ONLY: Has the Grantee met the requirements of questions 1., 2., 3., 4., 5., 6., and 7.? | | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references:   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  | | | |
| HUD Staff: Indicate the basis for your response: | | |

## PART F. Procedures to Maintain a Comprehensive Website

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| --- | --- | --- |
| 1. Has the Grantee attached procedures to maintain a comprehensive website regarding all CDBG disaster recovery activities that provides information accounting for how all grant funds are used and managed/administered? | Grantee | HUD |
| Choose an item. | Choose an item. |
| 1. Do the procedures indicate that the Grantee will have a separate page dedicated to its CDBG-DR funds that will contain links to all information required by the Prior Notice: | Choose an item. | Choose an item. |
| 1. Action Plans, Action Plan Amendments, the current approved DRGR Action Plan, and activity/program information for activities described in the action plan; | Choose an item. | Choose an item. |
| 1. Procurement policies and procedures, a description of services and goods currently being procured by the Grantee, a copy of contracts the Grantee has procured directly; | Choose an item. | Choose an item. |
| 1. A summary of all procured contracts, including those procured by the grantee, recipients, or subrecipients (e.g., a summary list of procurements, the phase of the procurement, requirements for proposals, and any liquidation of damages associated with a contractor’s failure or inability to implement the contract, etc.) Performance reports (i.e., Quarterly Performance Reports (QPRs)); | Choose an item. | Choose an item. |
| 1. Citizen participation requirements; and | Choose an item. | Choose an item. |
| 1. Any other information necessary to account for the use of the funds. | Choose an item. | Choose an item. |
| 1. Do the procedures indicate the frequency of website updates, indicating, at a minimum, monthly updates to the website? | Choose an item. | Choose an item. |
| 1. Do the procedures indicate which personnel or unit are responsible for the task along with contact information? | Choose an item. | Choose an item. |
| 1. Please provide a link to the Grantee’s CDBG-DR Website, if available. | | |
| HUD ONLY: Has the Grantee met the requirements of questions 1., 2., 3., and 4.? | | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references:   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  | | | |
| HUD Staff: Indicate the basis for your response: | | |

## PART G. Procedures to Detect Fraud, Waste, and Abuse of Funds

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| --- | --- | --- |
| 1. Has the Grantee attached procedures that indicate how the Grantee will verify the accuracy of information provided by applicants? | Grantee | HUD |
| Choose an item. | Choose an item. |
| 1. Has the Grantee provided a monitoring policy that indicates: | Choose an item. | Choose an item. |
| 1. How and why monitoring is conducted; | Choose an item. | Choose an item. |
| 1. The frequency of monitoring; and | Choose an item. | Choose an item. |
| 1. Which items are monitored? | Choose an item. | Choose an item. |
| 1. Do the Grantee’s procedures demonstrate that it has an internal auditor that provides both programmatic and financial oversight of Grantee activities and do they include includes a document signed by the internal auditor that describes his or her role in detecting fraud, waste, and abuse? | Choose an item. | Choose an item. |
| 1. Do the procedures require the Grantee and its subrecipients to attend any fraud related training provided by HUD OIG?” | Choose an item. | Choose an item. |
| HUD ONLY: Has the Grantee met the requirements of questions 1., 2., 3., and 4.? | | Choose an item. |
| Grantee must attach documentation supporting the requirement and provide appropriate cross-references:   |  |  |  | | --- | --- | --- | | Reference File Name/Identifier | Title of Document | Page Number (s) | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  | | | |
| HUD Staff: Indicate the basis for your response: | | |

## PART H. Certifications

As required by the Prior Notices, the Grantee must make the certification below by signing where indicated.

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| --- |
| **Compliance Certification** |
| The Grantee certifies that: it has reviewed the requirements of Public Law 116-20, Public Law 115-254, and the *Federal Register* Notices allocating CDBG-DR funds; that its responses to this checklist and submitted supporting documentation are accurate; that it will adhere to the controls, standards, processes, corrective actions, and procedures it described in this checklist and supporting documentation for the life of the grant, unless amended with HUD’s approval; and that it has in place proficient financial controls and procurement processes and that it has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Stafford Act, to ensure timely expenditure of funds, to maintain comprehensive websites regarding all disaster recovery activities assisted with these funds, and to detect and prevent waste, fraud, and abuse of funds.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Signature of Certifying Official    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  (Printed Name of Certifying Official) (Date) |

## PART I. HUD Review

For revised Certification, only answer relevant Part and strikeout entire answer box for unchanged Part.

|  |  |
| --- | --- |
| Based on your review of the responses to Part A and the related submissions by the Grantee, have you determined that the Grantee has in place proficient financial controls? | HUD |
| Choose an item. |
| Based on your review of the responses to Part B and the related submissions by the Grantee, have you determined that the Grantee has in place proficient procurement processes? | Choose an item. |
| Based on your review of the responses to Part C and the related submissions by the Grantee, have you determined that the Grantee has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Stafford Act? | Choose an item. |
| Based on your review of the responses to Part D and the related submissions by the Grantee, have you determined that the Grantee has established adequate procedures to ensure timely expenditure of funds? | Choose an item. |
| Based on your review of the responses to Part E and the related submissions by the Grantee, have you determined that the Grantee has established adequate procedures to maintain comprehensive websites regarding all disaster recovery activities assisted with the CDBG-DR funds? | Choose an item. |
| Based on your review of the responses to Part F and the related submissions by the Grantee, have you determined that the Grantee has established adequate procedures to detect and prevent fraud, waste, and abuse of funds? | Choose an item. |
| Based on your review of the responses to this entire Compliance Certification and all supporting documentation, including previous submissions as updated by this Compliance Certification (if applicable), do you recommend that the Secretary make the certification required by Public Law 116-20 and 115-254?  Absent extraordinary extenuating circumstances, this response should be no if the Grantee was unresponsive, checked “NO” or had deficiencies in this checklist or supporting documentation submitted to HUD. | Choose an item. |
| Provide any relevant comments, if necessary, to explain deficiencies or any “no” responses to the questions above: | |