

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

**HUD Review of the Financial Management and Grant Compliance
Certification Requirements for All Grantees
2020 and 2021 Disasters**

Table of Contents

REQUIRED DOCUMENTATION 4

PART A. Financial Management Controls 6

PART B. Procurement Processes 10

PART C. Procedures for Prevention of Duplication of Benefits 13

PART D. Procedures to Determine Timely Expenditures 15

PART E. Procedures to Maintain a Comprehensive Website 16

PART F. Procedures to Detect Fraud, Waste, and Abuse of Funds 18

Final Reviewer Comments: 21

Financial and Grant Compliance Certifications Requirements Review

HUD Review Form for 2020 and 2021 Disasters	
Name of Grantee:	
Disaster Year:	
Name of HUD Reviewer:	
Date:	
Name of HUD Reviewer:	
Date:	
Name of Assistant Director:	
Final Approval Date:	

Instructions:

The questions in the HUD Review Form are designed to assess and document that the grantee has proficient financial controls, procurement processes, and other procedures that are the subject of the certification by the Secretary. All questions must be clearly answered by the HUD reviewer. This means that all tables containing “Yes”, “No”, or “N/A” responses; the “Describe Basis for Conclusion” text boxes; and all documentations tables must be answered. The documentation tables are included in each section to identify the grantee’s supporting documentation, including the applicable cross-references to answer the question.

- For Parts A-F, a negative response (“No”) to the last question in each section indicates that the grantee does not have proficient controls. The HUD reviewer may select “No” if the grantee’s policies and procedures do not fully answer the question or if the grantee is missing documentation. For example, in Part A: Financial Management Controls, if the HUD Reviewer selects “No” to Question A.10, the reviewer is indicating that the grantee does not have proficient controls in place.
- An affirmative response (“Yes”) by the HUD reviewer to any question indicates that the grantee has met the requirements provided in the question and has provided documentation to support the claim.
- A “N/A” response to any question indicates that the requirement does not apply. The “N/A” option should only be used when the question is not applicable to the grantee.

Some questions and prompts include citations in brackets, which have been provided for convenience to identify sources that serve as the basis to determine proficiency.

The designated HUD representative from Headquarters or the Field Office (FO) will review the grantee’s submission and complete this checklist, to determine whether the grantee’s Financial Management and Grant Compliance Certification Requirements (“Certification Checklist”) 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.

If required by appropriations act, grant agreements will not be executed until the Secretary has issued a certification for the grantee. Appropriations acts require the Secretary certify:

1. That the grantee has in place proficient financial controls;
2. That the grantee has in place proficient procurement processes;
3. 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);
4. That the grantee has established adequate procedures to ensure timely expenditure of funds;
5. That the grantee has established adequate procedures to maintain comprehensive websites regarding all activities assisted with the CDBG-DR funds; and
6. That the grantee has established adequate procedures to detect and prevent fraud, waste, and abuse of funds.

CDBG-DR Certification Checklist:

HUD is adopting a revised process for implementing CDBG-DR grants whereby HUD will incorporate applicable provisions of the Consolidated Notice, to the extent they are consistent with future appropriations acts, in a Federal Register notice that announces allocations of the appropriated CDBG-DR funds (the “Allocation Announcement Notice”). The Allocation Announcement Notice cross references specific provisions of the Consolidated Notice and includes waivers and alternative requirements applicable for the subject grants. The Allocation Announcement Notice also adds or modifies requirements of the Consolidated Notice as necessary to comply with statutory requirements.

The Consolidated Notice describes the grant award process for CDBG-DR grantees, including the certification of financial controls and procurement processes and adequate procedures for proper grant management in Section III.A.1 of the notice. All CDBG-DR grantees must complete the Financial Management and Grant Compliance Certification Requirements and submit the Financial Management and Grant Compliance Certification Checklist (the “Certification Checklist”) to enable certification by the Secretary. This document is the Certification Checklist and incorporates all the Financial Management and Grant Compliance Certification Requirements.

If a CDBG-DR grantee is awarded a subsequent CDBG-DR grant, HUD will rely on the grantee’s prior submissions provided in response to the Financial Management and Grant Compliance Certification Requirements in the applicable Federal Register notice. HUD will continue to monitor the grantee’s submission and updates made to the policies and procedures during the normal course of business.

NOTE: To ensure the effective grantee implementation of the financial controls, procurement processes, and other procedures that are the subject of the certification by the Secretary, the Department has and may continue to establish specific criteria and conditions for each grant award as provided for at 2 CFR 200.206 and 200.208, respectively, to mitigate the risk of the grant. The Secretary shall specify any such criteria and the resulting conditions in the grant conditions governing the award. These criteria may include, but need not be limited to, a consideration of the internal control framework established by the grantee to ensure compliant implementation of its financial controls, procurement processes and payment of funds to eligible entities, as well as the grantee’s risk management strategy for information technology systems established to implement CDBG–DR funded programs. Additionally, the Secretary may amend the grant conditions to mitigate risk of a grant award at any point at which the Secretary determines a condition to be required to protect the Federal financial interest or to advance recovery.

REQUIRED DOCUMENTATION

The grantee must attach (or provide a link to) the required documentation and provide appropriate cross-references in each Part of the Certification Checklist.

Note, if the grantee provides a hyperlink to a document, the grant manager and the financial analyst should save a copy of the document to the grantee’s SharePoint file to ensure continuous access to the information.

Select the box in the table below if the grantee has submitted the required document(s).	
<ul style="list-style-type: none"> The grantee’s most recent federal single audit. 	<input type="checkbox"/>
<ul style="list-style-type: none"> The section of the grantees policies and procedures governing the use of program income. 	<input type="checkbox"/>
<ul style="list-style-type: none"> The grantee’s most recent comprehensive annual financial report (CAFR). 	<input type="checkbox"/>
<ul style="list-style-type: none"> The grantee’s procurement policies and procedures. 	<input type="checkbox"/>
<ul style="list-style-type: none"> The grantee’s policies and procedures to prevent duplication of benefits. 	<input type="checkbox"/>
<ul style="list-style-type: none"> The grantee’s policies and procedures to ensure timely expenditures. 	<input type="checkbox"/>
<ul style="list-style-type: none"> The grantee’s policies and procedures to maintain a comprehensive website. 	<input type="checkbox"/>
<ul style="list-style-type: none"> The grantee’s policies and procedures to detect and prevent fraud, waste, and abuse. 	<input type="checkbox"/>
Has the grantee submitted all required documents?	<input type="checkbox"/> <input type="checkbox"/> Yes No

HUD Review Form – Certification Checklist for 2020 and 2021 Grantees

<p>(Optional) Has the grantee submitted supplementary documentation to support its Certification?</p>	<p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A</p>
<p>If the grantee submitted supplementary documentation to support its certification, please list the attachments below.</p>	

<p>Did the grantee submit the Certification Checklist information within 60 days of the applicability date of the Allocation Announcement Notice, or with the grantee’s submission of its action plan, whichever date is earlier?</p>	<p><input type="checkbox"/> <input type="checkbox"/> Yes No</p>
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PART A. Financial Management Controls

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. The financial management system 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 in 2 CFR 200.302(a). The financial management system of each grantee must provide the information required by [2 CFR 200.302\(b\)](#).

A CDBG-DR grantee has proficient financial management controls if each of the following criteria is satisfied:

The grantee submits its most recent single audit and comprehensive annual financial report (CAFR), which in HUD’s determination indicates that the grantee has no material weaknesses, deficiencies, or concerns that HUD considers to be relevant to the financial management of CDBG, CDBG-DR, or CDBG-MIT funds. If the single audit or CAFR identified weaknesses or deficiencies, the grantee must provide documentation satisfactory to HUD showing how those weaknesses have been removed or are being addressed. [Section III.A.1.a.(1)(a)]

The grantee has assessed its financial standards and has completed and submitted the certification documentation in the applicable Certification Checklist. The grantee’s documentation must demonstrate that the standards meet the requirements in the Consolidated Notice and the Certification Checklist. [Section III.A.1.a.(1)(b)]

<p>A.1. Please select all that apply if the grantee received CDBG, CDBG-DR, CDBG-NDR, or CDBG-MIT funds in the past:</p> <p><input type="checkbox"/> CDBG <input type="checkbox"/> CDBG-DR <input type="checkbox"/> CDBG-NDR <input type="checkbox"/> CDBG-MIT <input type="checkbox"/> N/A</p>	
<p>A.2. Which of the following program, if any, are covered in the grantee’s most recent single audit:</p> <p><input type="checkbox"/> CDBG <input type="checkbox"/> CDBG-DR <input type="checkbox"/> CDBG-NDR <input type="checkbox"/> CDBG-MIT <input type="checkbox"/> N/A</p>	
<p>A.3. If the grantee has stated that the single audit and CAFR reported any material weaknesses, deficiencies, or concerns related to CPD programs, did the grantee provide satisfactory documentation showing how those weaknesses have been removed or are being addressed? [Section III.A.1.a.(1)(a)]</p> <p>Examples of material weaknesses, deficiencies, or concerns might include payments for ineligible costs; insufficient internal controls, separation of duties, or capacity; and inadequate management and/or monitoring of subrecipients.</p> <p>If the grantee states weaknesses, deficiencies, or concerns exist, the grantee should document the weaknesses have either been removed or are being addressed. In this case, the grantee could submit a corrective action plan describing the following information:</p>	<p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p> <p>Yes No N/A</p>

HUD Review Form – Certification Checklist for 2020 and 2021 Grantees

<ul style="list-style-type: none"> • a brief description of the issue, • the status (not corrected, partially corrected, or corrected), • the resolution (or potential resolution), and • any additional steps the grantee will take to correct the weakness, deficiency, or concern. <p>If the grantee reported no material weaknesses, deficiencies, or concerns the HUD reviewer should select N/A.</p>	
<p>Describe Basis for Conclusion:</p>	
<p>A.4. If the HUD Reviewer found that the grantee’s single audit and CAFR reported any material weaknesses, deficiencies, or concerns, did the grantee provided satisfactory documentation showing how those weaknesses have been removed or are being addressed? [Section III.A.1.a.(1)(a)]</p> <p>Examples of material weaknesses, deficiencies, or concerns might include payments for ineligible costs; insufficient internal controls, separation of duties, or capacity; and inadequate management and/or monitoring of subrecipients.</p> <p>If the HUD Review finds weaknesses, deficiencies, or concerns, the grantee should document the weaknesses have either been removed or are being addressed. In this case, the grantee could submit a corrective action plan describing the following information:</p> <ul style="list-style-type: none"> • a brief description of the issue, • the status (not corrected, partially corrected, or corrected), • the resolution (or potential resolution), and • any additional steps the grantee will take to correct the weakness, deficiency, or concern. 	<p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A</p>
<p>A.4.a. If the most recent Federal Single Audit or CAFR identifies use of CPD funds used for general expenses and the documents indicate that there is either untimely use of program income or untimely (slow) disbursement of CPD funds, did the grantee provided satisfactory documentation showing how the untimely issues have been removed or are being addressed?</p>	<p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A</p>

HUD Review Form – Certification Checklist for 2020 and 2021 Grantees

<p>For example, if there is a timeliness issue, the grantee could submit a corrective action plan identifying the steps that have occurred (or will occur) to correct the timeliness issues identified.</p>	
<p>Describe Basis for Conclusion:</p>	
<p>A.5. Do the materials submitted by the grantee demonstrate the grantee has fiscal and administrative systems for expending and accounting for federal funds received?</p> <p>To answer “Yes” to this question, the Federal Single Audit should indicate the grantee’s use of funds are compliant with all applicable statutory and regulatory provisions, the terms and conditions of the award, and the intended purpose.</p> <p>For example, the most recent single audit does not have findings related to CPD funding of noncompliant disbursements, or CPD funding of costs that are not necessary and reasonable.</p>	<p><input type="checkbox"/> <input type="checkbox"/> Yes No</p>
<p>Describe Basis for Conclusion:</p>	
<p>A.6. Did the grantee complete and submit the certification documentation required in the applicable Certification Checklist? [Section III.A.1.a.(1)(b)]</p>	<p><input type="checkbox"/> <input type="checkbox"/> Yes No</p>

HUD Review Form – Certification Checklist for 2020 and 2021 Grantees

<p>A.7. Does the grantee have policies and procedures to disburse funds available from program income (as defined by the Consolidated Notice) before additional grant funds are drawn?</p> <p>For example, grantee submits the section of its policies and procedures governing the use of program income. 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.</p>	<p><input type="checkbox"/> <input type="checkbox"/> Yes No</p>
<p>A.8. Based on your review of the submitted materials and responses above, does the grantee have in place proficient financial controls?</p>	<p><input type="checkbox"/> <input type="checkbox"/> Yes No</p>
<p>Describe Basis for Conclusion:</p>	

Question:	Document Title:	Page number(s) referenced:
A.1		
A.2		
A.3		
A.4		
A.5		
A.6		
A.7		

PART B. Procurement Processes

The grantee must provide to HUD its procurement process/standards for review, so HUD may evaluate the overall effect of the grantee’s standards to determine that they uphold the principles of full and open competition.

A CDBG-DR grantee has proficient procurement policies and processes if:

- a) HUD determines that its processes uphold the principles of full and open competition and include an evaluation of the cost or price of the product or service, and
- b) The grantee’s procurement policies and procedures comply with the procurement requirements at Section III.A.1.a.(2) of the Consolidated Notice.

For **Local Government Grantees** this means that procurement policies and processes are consistent with the applicable procurement standards identified in 2 CFR 200.318 through 200.327.

For **State Grantees** this means that its procurement processes reflect that it:

- i. Adopted 2 CFR 200.318 through 2 CFR 200.327; or
- ii. Follows state procurement policies and procedures and establishes requirements for procurement policies and procedures for local governments and subrecipients based on full and open competition pursuant to 24 CFR 570.489(g), and the requirements for the state, its local governments, and subrecipients include evaluation of the cost or price of the product or service; or
- iii. Adopted 2 CFR 200.317, meaning that it will follow its own state procurement policies and procedures and evaluate the cost or price of the product or service, but impose 2 CFR 200.318 through 2 CFR 200.327 on its subrecipients.

<p>B.1 Do the grantee’s processes uphold the principles of full and open competition? [Section III.A.1.a.(2)]</p>	<p><input type="checkbox"/> <input type="checkbox"/> Yes No</p>
<p>Describe Basis for Conclusion:</p>	

HUD Review Form – Certification Checklist for 2020 and 2021 Grantees

<p>B.2 Do the grantee’s procurement processes include an evaluation of the cost or price of the product or service prior to contract execution? [Section III.A.1.a.(2)]</p>	<p><input type="checkbox"/> <input type="checkbox"/> Yes No</p>
<p>B.3 The HUD Reviewer should respond to the applicable question based on the grantee’s status as a Local Government or a State Government.</p>	
<ul style="list-style-type: none"> • B.3.a. If the grantee is a Local Government, do the grantee’s processes reflect 2 CFR 200.318 through 2 CFR 200.327? [Section III.A.1.a.(2)(b)] 	<p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A</p>
<p>Describe Basis for Conclusion:</p>	
<ul style="list-style-type: none"> • B.3.b. If the grantee is a State or treated as a State, do the grantee’s processes reflect one of the three procurement choices below? [Section III.A.1.a.(2)(i)-(iii)] <ul style="list-style-type: none"> ○ <input type="checkbox"/> Adopted 2 CFR 200.318 through 2 CFR 200.327. ○ <input type="checkbox"/> Follows state procurement policies and procedures and establishes requirements for procurement policies and procedures for local governments and subrecipients based on full and open competition pursuant to 24 CFR 570.489(g), and the requirements for the state, its local governments, and subrecipients include evaluation of the cost or price of the product or service. ○ <input type="checkbox"/> Adopted 2 CFR 200.317, meaning that it will follow its own state procurement policies and procedures and evaluate the cost or price of the product or service, but impose 2 CFR 200.318 through 2 CFR 200.327 on its subrecipients. 	<p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A</p>
<p>Describe Basis for Conclusion:</p>	

PART C. Procedures for Prevention of Duplication of Benefits

A grantee has adequate procedures to prevent the duplication of benefits if the grantee submits and identifies a uniform process that reflects the requirements Section III.A.1.a.(3) of the Consolidated Notice, including:

- a) Verifying all sources of disaster assistance received by the grantee or applicant, as applicable, prior to the award of CDBG-DR funds;
- b) Determining a grantee’s or an applicant’s unmet need(s) for CDBG-DR assistance before committing funds or awarding assistance; and
- c) Requiring beneficiaries to enter into a signed agreement to repay any duplicative assistance if they later receive additional assistance for the same purpose for which the CDBG-DR award was provided. The grantee must identify a method to monitor compliance with the agreement for a reasonable period (i.e., a time period commensurate with risk) and must articulate this method in its written administrative procedures, including the basis for the period in which the grantee will monitor compliance. This agreement must also include the following language: “Warning: Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729.”

Policies and procedures of the grantee submitted to support the certification must provide 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 local, state, and Federal sources of funding to prevent the duplication of benefits.

C.1 Has the grantee submitted adequate procedures to prevent the duplication of benefits and has identified a uniform process that reflects:	
<ul style="list-style-type: none"> • C.1.a. Determining all disaster assistance received by the grantee or applicant and all reasonably identifiable financial assistance available to the grantee or applicant, as applicable, before committing funds or awarding assistance? <p>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.</p> <p>[Section III.A.1.a.(3)(a)]</p>	<input type="checkbox"/> <input type="checkbox"/> Yes No
<ul style="list-style-type: none"> • C.1.b. Determining a grantee or an applicant’s unmet need(s) for CDBG-DR assistance before committing funds or awarding assistance? <p>[Section III.A.1.a.(3)(b)]</p>	<input type="checkbox"/> <input type="checkbox"/> Yes No
<ul style="list-style-type: none"> • C.1.c. Requiring beneficiaries to enter into a signed agreement to repay any duplicative assistance if they later receive additional assistance for the same purpose for which the CDBG-DR award was provided? <p>[Section III.A.1.a.(3)(c)]</p>	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

Question:	Document Title:	Page number(s) referenced:
C.1		
C.2		
C.3		
C.4		

PART D. Procedures to Determine Timely Expenditures

A grantee has adequate policies and procedures to determine timely expenditures if it submits procedures that indicate the following to HUD: how it will track expenditures of the grantee and its subrecipients (both actual and projected reported in the performance report); how it will account for and manage program income; how it will reprogram funds in a timely manner for activities that are stalled; how it will ensure that contracts and bills that require payment will be timely paid; and how it will project expenditures of all CDBG-DR funds within the period provided for in Section V.A. of the Consolidated Notice and applicable Allocation Announcement Notice.

D.1. The grantee submitted policies and procedures that indicates: [Section III.A.1.a.(4)]	
<ul style="list-style-type: none"> D.1.a. How the grantee will track expenditures of the grantee and its subrecipients (both actual and projected reported in the performance reports)? 	<input type="checkbox"/> <input type="checkbox"/> Yes No
<ul style="list-style-type: none"> D.1.b. How the grantee will account for and manage program income? For example, 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. 	<input type="checkbox"/> <input type="checkbox"/> Yes No
<ul style="list-style-type: none"> D.1.c. How the grantee will reprogram funds in a timely manner for activities that are stalled? 	<input type="checkbox"/> <input type="checkbox"/> Yes No
<ul style="list-style-type: none"> D.1.d. How the grantee will project expenditures of all CDBG-DR funds within the period provided for in Section V.A. of the Consolidated Notice and applicable Allocation Announcement Notice? 	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

HUD Review Form – Certification Checklist for 2020 and 2021 Grantees

<ul style="list-style-type: none"> • all executed contracts that will be paid with CDBG-DR funds as defined in 2 CFR 200.22 (including subrecipients’ contracts); and • a summary including the description and status of services or goods currently being procured by the grantee or the subrecipient (e.g., phase of the procurement, requirements for proposals, etc.). <p>Note: Contracts and procurement actions that do not exceed the micro-purchase threshold, as defined in 2 CFR 200.67, are not required to be posted to a grantee’s website. [Section III.A.1.a.(5)]</p>	
<p>E.2. Has grantee indicated to HUD that the grantee will make the documents required to be available on the public website (as described in III.D.1.d of the Consolidated Notice) available in a form accessible to persons with disabilities and those with limited English proficiency? [Section III.A.1.a.(5)]</p>	<input type="checkbox"/> <input type="checkbox"/> Yes No
<p>E.3. Has the grantee indicated to HUD that the grantees will take reasonable steps to ensure meaningful access to their programs and activities by LEP persons, including members of protected classes, vulnerable populations, and individuals from underserved communities as described in Section III.D.1.d of the Consolidated Notice? [Section III.A.1.a.(5)]</p>	<input type="checkbox"/> <input type="checkbox"/> Yes No
<p>E.4. Do the grantee’s website policies and procedures indicate to HUD the frequency of website updates? At a minimum, the grantee must update their website quarterly. [Section III.A.1.a.(5)]</p>	<input type="checkbox"/> <input type="checkbox"/> Yes No
<p>E.5. Did the grantee provide a link to the website?</p> <p>The HUD reviewer would select N/A if the grantee’s website is not available at the time the checklist is submitted.</p>	<input type="checkbox"/> <input type="checkbox"/> Yes N/A
<p>E.6. Based on your review of the submitted materials and responses above, has the grantee established adequate procedures to maintain comprehensive websites regarding all activities assisted with the CDBG-DR funds?</p>	<input type="checkbox"/> <input type="checkbox"/> Yes No
<p>Describe Basis for Conclusion:</p>	

Question:	Document Title:	Page number(s) referenced:
E.1		
E.2		
E.3		
E.4		
E.5		

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

A grantee has adequate procedures to detect and prevent fraud, waste, and abuse if it submits procedures that indicate:

- a) how the grantee will verify the accuracy of information provided by applicants;
- b) the criteria to be used to evaluate the capacity of potential subrecipients;
- c) the frequency with which the grantee will monitor other agencies of the grantee that will administer CDBG-DR funds, including how it will monitor subrecipients, contractors and other program participants, and why monitoring is to be conducted and which items are to be monitored;
- d) it has or will hire an internal auditor that provides both programmatic and financial oversight of grantee activities; and has adopted policies that describes the auditor’s role in detecting fraud, waste, and abuse;
- e) a written standard of conduct and conflicts of interest policy and the process for promptly identifying and addressing such conflicts; and
- f) it assists in investigating and taking action when contractor fraud occurs within the grantee’s CDBG-DR activities and/or programs. All grantees receiving CDBG-DR funds for the first time shall attend and require subrecipients to attend fraud related training provided by HUD OIG when offered to assist in the proper management of CDBG-DR grant funds. Instances of fraud, waste, and abuse should be referred to the HUD OIG Fraud Hotline (phone: 1-800-347-3735 or email: hotline@hudoig.gov). Following a disaster, property owners and renters are frequently the targets of persons fraudulently posing as government employees, creditors, mortgage servicers, insurance adjusters, and contractors. The grantee’s procedures must address how the grantee will make CDBG-DR beneficiaries aware of the risks of contractor fraud and other potentially fraudulent activity that can occur in communities recovering from a disaster. Grantees must provide CDBG-DR beneficiaries with information that raises awareness of possible fraudulent activity, how the fraud can be avoided, and what local or state agencies to contact to take action and protect the grantee and beneficiary investment. The grantee’s procedures must address the steps it will take to assist a CDBG-DR beneficiary if the beneficiary experiences contractor or other fraud. If the beneficiary is eligible for additional assistance as a result of the fraudulent activity and the creation of remaining unmet need, the procedures must also address what steps the grantee will follow to provide the additional assistance.

F.1 Has the grantee provided procedures that indicate how the grantee will verify the accuracy of information provided by applicants? [Section III.A.1.a.(6)(a)]	<input type="checkbox"/> <input type="checkbox"/>
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HUD Review Form – Certification Checklist for 2020 and 2021 Grantees

	Yes No
F.2 Has the grantee provided procedures that indicate the criteria to be used to evaluate the capacity of potential subrecipients? [Section III.A.1.a.(6)(b)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
F.3 Has the grantee provided procedures that indicate the frequency with which the grantee will monitor other agencies of the grantee that will administer CDBG-DR funds, how it will monitor subrecipients, contractors and other program participants, how and why monitoring is to be conducted and which items are to be monitored? [Section III.A.1.a.(6)(c)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
F.4 Has the grantee provided procedures that indicate that the grantee has or will hire an internal auditor that provides both programmatic and financial oversight of grantee activities? [Section III.A.1.a.(6)(d)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
F.5 Has the grantee adopted policies that describes the auditor’s role in detecting fraud, waste, and abuse? [Section III.A.1.a.(6)(d)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
F.6 Does the grantee have a written standard of conduct and conflicts of interest policy and the process for promptly identifying and addressing such conflicts? [Section III.A.1.a.(6)(e)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
<ul style="list-style-type: none"> Note: For states or grantees subject to the same requirements as states, a written standard of conduct and conflicts of interest policy must comply with the requirements of 24 CFR 570.489(g) and 24 CFR 570.489(h) and Section III.A.1.a.(6)(e)(i). 	
<ul style="list-style-type: none"> Note: For units of general local government or grantees subject to the same requirements as units of general local government, a written standard of conduct and conflicts of interest policy must comply with 24 CFR 570.611 and 2 CFR 200.318, as applicable. [Section III.A.1.a.(6)(e)(ii)] 	
F.7 Has the grantee provided procedures that indicate the grantee will assist in investigating and taking action when fraud occurs within the grantee’s CDBG-DR activities and/or programs? [Section III.A.1.a.(6)(f)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
F.8 If the grantee is receiving CDBG-DR funds for the first time, has the grantee indicated that grantee-staff and subrecipients will attend fraud related training provided by HUD OIG, when offered, to assist in the proper management of CDBG-DR grant funds? [Section III.A.1.a.(6)(f)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
F.9 Has the grantee provided procedures that indicate that instances of fraud, waste, and abuse should be referred to the HUD OIG Fraud Hotline (phone: 1-800-347-3735 or email: hotline@hudoig.gov)? [Section III.A.1.a.(6)(f)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
F.10 Has the grantee provided procedures that indicate how the grantee will make CDBG-DR beneficiaries aware of the risks of contractor fraud and other potentially fraudulent activity that can occur in communities recovering from a disaster? [Section III.A.1.a.(6)(f)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A

HUD Review Form – Certification Checklist for 2020 and 2021 Grantees

<p>Note: Grantees must provide CDBG-DR beneficiaries with information that raises awareness of possible fraudulent activity, how the fraud can be avoided, and what local or state agencies to contact to take action and protect the grantee and beneficiary investment.</p>	
<p>F.11 Has the grantee provided procedures that address the steps it will take to assist a CDBG-DR beneficiary if the beneficiary experiences contractor or other fraud?</p> <p>If the beneficiary is eligible for additional assistance as a result of the fraudulent activity and the creation of remaining unmet need, the procedures also address what steps the grantee will follow to provide the additional assistance. [Section III.A.1.a.(6)(f)]</p>	<p><input type="checkbox"/> <input type="checkbox"/> Yes No</p>
<p>F.12 Based on your review of the submitted materials and responses above, has the grantee established adequate procedures to detect and prevent fraud, waste, and abuse of funds?</p>	<p><input type="checkbox"/> <input type="checkbox"/> Yes No</p>
<p>Describe Basis for Conclusion:</p>	

Question:	Document Title:	Page number(s) referenced:
F.1		
F.2		
F.3		
F.4		
F.5		
F.6		
F.7		
F.8		
F.9		
F.10		
F.11		

Final Reviewer Comments:

Use this space to record comments related to your review of the grantee’s submission. Conclude with a recommendation to provide or withhold certification from the grantee.

CPD Specialist Comment and Recommendation	Financial Analyst Comment and Recommendation