



**Special Attention of:**

**NOTICE: CPD-22-04**

All Regional Office Directors

Issued: **February 10, 2022**

All Field Office Directors

Supersedes: Notice CPD-14-04

All CPD Division Directors

This Notice is effective until it is amended, supersede, or rescinded.

**SUBJECT:** Implementing Risk Analyses for Monitoring Community Planning and Development Grant Programs in FY 2022

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**I. Purpose**

The purpose of this Notice is to provide a consistent methodology for conducting risk analyses for Community Planning and Development (CPD) formula and competitive grantees<sup>1</sup> and establish monitoring priorities within available resources. This risk analysis process has been incorporated into CPD’s Grants Management Process Reporting (GMP-R) system, a computer-based information system which is used to provide a documented record of conclusions and results.

<sup>1</sup> The terms “program participant,” “grantee,” “participating jurisdiction” (PJ), and “recipient” all refer to the entity that receives the Federal award directly from HUD and are used interchangeably in this Notice.

This Notice reflects an updated risk analysis methodology that has been developed by a CPD working group in collaboration with the Office of the Chief Risk Officer. The working group discussed risk factors, subfactors, symptomatic causes in program performance, and subsequently developed this revised Notice. The updated methodology is designed to better identify risk, streamline the process, and enhance consistency across reviews through the integration of available performance data from grant reporting systems, and use, to the greatest extent feasible, subfactors which can be auto-populated using data extracted from existing information technology systems available to CPD.

This Notice is intended to augment the Departmental policy contained in Handbook 1840.1, *Departmental Management Control Program*, which requires the development of risk-based rating systems for all programs, and Handbook 6509.2, *Community Planning and Development Monitoring Handbook*, which establishes standards and provides guidance for monitoring CPD Programs. The major steps for implementing risk-based monitoring include:

- Developing risk-based rating systems to evaluate all program grantees;
- Rating and selecting grantees for monitoring;
- Identifying program risks and setting monitoring objectives; and
- Documenting the process and recording the rationale for choosing grantees to be monitored.

Each CPD Field Office will perform the risk analysis using the methodology described in this Notice. The Evaluator (e.g., CPD Representative, Financial Analyst, or CPD Specialist) and Management Representative (e.g., CPD Director, Program Manager) have specific responsibilities for risk analysis review and information update for each grantee.

## **II. Background**

Headquarters establishes the completion dates for risk analysis and monitoring work plans each fiscal year. Each CPD Field Office is responsible for developing a monitoring work plan with strategies encompassing CPD grantees and programs to be monitored during the fiscal year. The purpose of a monitoring strategy is to define the scope, focus, and monitoring efforts for an individual grantee, including establishing a framework for determining the appropriate level of monitoring for selected CPD grantees, consistent with identified risk and available resources. The monitoring work plan documents the CPD Field Office decisions regarding where to apply staff and travel resources for monitoring, training, and/or technical assistance. The CPD Field Office includes the final monitoring strategy in the Monitoring Notification Letter that is sent to the grantee.

Risk analysis provides the information needed for CPD to effectively target its resources to grantees that pose the greatest risk to the integrity of CPD programs, including identifying the grantees it will monitor on-site or remotely, and the program areas it will cover. The selection process identifies those grantees and activities that represent the greatest vulnerability to fraud, waste, abuse, and mismanagement.

### III. Frequency of Risk Analysis

This Notice reflects an annual assessment period and provides policy guidance for fiscal years 2022 and beyond, until superseded by further guidance.

### IV. Applicability

CPD Field Offices will apply the risk analysis process to the formula and competitive grant programs listed below. This Notice expands the risk analysis process to include CARES Act funding for four programs, as well as the Recovery Housing Program (RHP). Additionally, the Neighborhood Stabilization Programs (NSP)-1, NSP-2, and NSP-3 grant programs will remain combined in regard to the use of the Attachment A-3 risk analysis worksheet. Also, the Community Development Block Grant-disaster recovery (CDBG-DR) program remains in this Notice for two reasons: first, to provide further guidance to the CPD Field Offices on how to evaluate risk with CDBG-DR grants; and second, to provide a consistent risk analysis tool for all CDBG-DR grants, irrespective of whether they are managed by the CPD Field Offices or by Headquarters.<sup>2</sup> CDBG-DR reviewers will use the Attachment A-2 risk analysis worksheet.

#### Programs Assessed

- Community Development Block Grant Program (CDBG)
- HOME Investment Partnerships Program (HOME)
- Emergency Solutions Grants Programs (ESG)
- Housing Opportunities for Persons with AIDS Program (HOPWA)
- Housing Opportunities for Persons with AIDS Program Competitive (HOPWA-C)
- Continuum of Care (CoC)
- Neighborhood Stabilization Programs (NSP 1, 2, and 3)
- Section 8 Single Room Occupancy Moderate Rehabilitation (SRO)
- Community Development Block Grant Disaster Recovery Program (CDBG-DR)
- Community Development Block Grant-CARES Act (CDBG-CV)
- Emergency Solutions Grants Program-CARES Act (ESG-CV)
- Housing Opportunities for Persons with AIDS Program-CARES Act (HOPWA-CV)
- Housing Opportunities for Persons with AIDS Program Competitive – CARES Act (HOPWA-C-CV)
- Recovery Housing Program (RHP)

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<sup>2</sup> CDBG-DR grants managed by HQ are maintained by the Office of Block Grant Assistance's Disaster Recovery & Special Issues Division. For the purpose of this notice, DRSI is considered the Field Office for those grants managed by the Division.

## V. Risk Categories and Criteria

All CPD program risk analyses use standardized factors and a quantifiable rating system. Risk analysis factors are consistent with the Departmental factors outlined in the *HUD Monitoring Desk Guide: Policies and Procedures for Program Oversight*.

Program risk subfactors used for each risk factor include the areas listed below with some variation among the CPD Programs, based on each program office's specific determinants of risk.

1. Grant Management
  - a. Grantee Reporting
  - b. Grantee Staff Capacity and Program Design
  - c. Grantee Program Complexity
  - d. Grantee Findings (Monitoring and Office of Inspector General (OIG)) and Sanctions
  - e. Grantee's Management of Subrecipients
  - f. Grantee Cross-Cutting Requirement Compliance
2. Financial Management
  - a. Grantee Financial Staff Capacity
  - b. Monitoring Finding Resulting in Repayment or Grant Reduction
  - c. Grant Amount
  - d. Grantee Program Income
  - e. Grantee Single Audits
3. Services & Satisfaction
  - a. Grantee Citizen Complaints or Negative Media Exposure
  - b. Grantee Responsiveness
4. Physical
  - a. Physical Condition of Properties

Factor four, Physical, does not apply to the worksheets for CDBG, CDBG-CV, CDBG-DR, RHP, and NSP.

## VI. Risk Analysis Process

CPD Field Offices will perform the risk rating process for all grantees in its portfolio with active grants at the beginning of the risk analysis review process, as soon as practicable. The risk analysis covers all "active" grants. An active grant is defined as any grant within the Field Office's portfolio not closed out at the start of the risk analysis review process. When evaluating each grantee against program criteria, the Field Office will record and document the results in the GMP-R system.

Risk Analysis consists of two steps:

1. Rating:

- Extracting data for system-driven risk factors;
- Incorporating assessment and rating of factors by the Evaluator; and
- Reviewing results by Management.

2. Ranking:

- Generated ranking of grantees by risk, from highest to lowest;
- Determining monitoring exceptions; and
- Certifying results.

The results of this two-step process provide the basis for developing the office monitoring plan and grantee monitoring strategies. This includes identifying which grantees will be monitored, method of monitoring (on-site or remote), programs and areas to be monitored, areas of technical assistance and training needed, resources needed, and projected timeframes.

Each factor and its relevant subfactors are assigned a level of risk: high, medium, or low. The CPD Field Office should incorporate risk areas identified during the risk analysis process into the grantee's Individual Grantee Monitoring Strategy. Strategies should also identify monitoring Exhibits that CPD Field Offices plan to use during monitoring (see CPD Monitoring Handbook). CPD Field Offices should document all Individual Grantee Monitoring Strategies in the GMP-R system.

### **Step 1 – Rating Grantees**

**Evaluator:** Using a combination of data extracted from grant reporting systems and information available from other sources, the Evaluator will review and rate each program administered by a grantee.

The risk analysis process begins with a review of each grantee against each subfactor. Certain subfactors are auto-populated or assigned a score of high, medium, or low risk based on data available from grant reporting systems. Support data for auto-populated fields will be displayed in the comment field. Other subfactors are not auto-populated, and the Evaluator must assign a risk score based on information readily available from other sources. In completing this review, various sources of information are used, including data obtained from the Integrated Disbursement and Information System (IDIS), Disaster Recovery Grant Reporting System (DRGR), e-SNAPS, Annual Progress Reports (APRs), CAPERS and PERs, prior monitoring visits, audits, and citizen complaints. Special attention should be given to recent audits with findings, compliance with program expenditure requirements established by the Department, and fair housing/civil rights issues.

CPD Field Offices evaluate CPD formula and competitive programs using criteria outlined in Attachments A-1 (for CDBG), A-2 (for CDBG-DR), A-3 (for NSP1, 2, and 3), A-4 (for HOME), A-5 (for ESG), A-6 (for HOPWA, HOPWA-C, HOPWA-CV, and HOPWA-C-CV), A-7 (for CDBG-CV), A-8 (for ESG-CV), A-9 (for RHP), and A-10 (for CoC and SRO). CPD Field Offices evaluate a grantee using criteria for each program type it administers per the specific attachments listed above. For example, if a grantee administers CDBG and CDBG-CV programs, the grantee's risk will be evaluated for each program separately: one analysis for CDBG and one analysis for CDBG-CV. However, if a grantee administers HOPWA programs,

the grantee's risk evaluations will use the criteria per Attachment A-6 for each HOPWA program type (i.e., HOPWA, HOPWA-C, HOPWA-CV, and HOPWA-C-CV).

**Management Review:** After the Evaluator has completed documenting the risk analysis results for each grantee, a Management Representative begins the review and certification process. The role of the Management Representative is to provide quality control to ensure validity and consistency through an assessment of each Evaluator's ratings and comments. The Management Representative will ensure that any updates are entered into the GMP-R system.

## **Step 2 – Grantee Ranking and Selection**

After all information has been entered into GMP, the automated system provides the results in one composite list for both formula and competitive grantees, except for CDBG-DR grantees managed by the Disaster Recovery and Special Issues (DRSI) Division (see Attachments C-1 and C-2). Results for the grantees managed by DRSI will be available in the DRGR Summary in GMP. Grantees will be ranked in descending order, from highest to lowest risk. The Management Representative will then begin the exception process, starting with the Composite Summary Sheet.

Starting in FY 2022, the Management Representative will determine whether any grantee meets an exception from monitoring based on five exception categories identified below. CPD Field Offices have two options for monitoring, as identified in the **Additional Considerations** section below. A grantee cannot be excepted from monitoring without the CPD Field Office identifying an appropriate exception. The five exceptions that will be included in GMP-R consist of the following:

- **A** – The Office of Inspector General is currently conducting an audit of the high-risk grantee and/or high-risk program(s);
- **B** – High-risk grantee and/or high-risk program(s) were monitored within the last two years;
- **C** – Grantee will be provided technical assistance or training in the current fiscal year;
- **D** – A grant program is selected to be monitored as a discretionary selection; and
- **X** – Other.

A CPD Field Office may use Exception Code X (Other) to document specific circumstances when grant programs will not be monitored in the current fiscal year. Additionally, a CPD Field Office may use Exception Code X (Other) to document specific circumstances: when two or more grant programs are assessed high risk, and not all of the high risk programs require monitoring in the current fiscal year because one or more of the high risk programs were monitored during the last two years; and to identify the specific high risk program(s) for which the Office of Inspector General is conducting an audit (when the OIG is not conducting a full review of all of the programs). Examples of how to document Exception Code X (Other) are provided as follows:

- CDBG and HOME grant programs were assessed high-risk, but HOME was monitored in the last two years; CDBG will be monitored this fiscal year.
- The OIG is conducting an audit of the HOME program; however, CDBG will be monitored this fiscal year.
- This medium/low-risk grantee will not be monitored this fiscal year.

For any grantee with an average risk score of 51 or higher and/or a single program score of 51 or higher, the only allowable exceptions the Management Representative can apply are Exceptions A - The Office of Inspector General is currently conducting an audit of the high-risk grantee and/or high-risk program(s) or B – High-risk grantee and/or high-risk program(s) were monitored within the last two years. Exception Code D (Discretionary Monitoring) applies to specific circumstances when a grant program is selected to be monitored as a discretionary selection. Exception Code X should only be used to document high risk based on the descriptions provided above.

### **Additional Considerations:**

- a) CPD Field Offices have two options available to them in selecting grantees to monitor:
  - i) The 100% Option: Select 100% of grantees in rank order for monitoring; or
  - ii) The 70/30% Option: Select the first 70% of the grantees in rank order, with the remaining 30% being selected at the discretion of the Management Representative.
- b) Those grantees with total scores of 51 or higher are to be further reviewed by the Management Representative to determine if Exception Code A or B is applicable. For grantees determined to be high-risk, but not scheduled for monitoring during the current Fiscal Year, the Management Representative must annotate them as Exception Code A or B on the Composite Summary Worksheet for the applicable program type (on either Attachment C-1 or C-2).
- c) In addition, any grantee with a single program score of 51 or higher must be reviewed and considered for on-site monitoring. Exception Code A or B can only be used if the high-risk program(s) is currently under audit review by the OIG or has been reviewed on-site in the last two years. The Management Representative must annotate grantees with single program scores of 51 or higher not scheduled for on-site monitoring as Exception Code A or B on the Composite Summary Worksheet for applicable program type (on either Attachment C-1 or C-2).
- d) If the CPD Field Office selects option a) ii) above (the 70/30% option), the Management Representative must use applicable exceptions when determining the 70% of grantees that are in rank order. For the 30%, the Management Representative must use Exception Code D to document the grantee/program for discretionary monitoring.
- e) The appropriate fiscal year monitoring goal must be applied to determine the total number of grantees to be monitored for the fiscal year.

- f) Depending on the availability of travel resources, CPD Field Offices should monitor a limited number of non-high-risk on-site to validate the soundness of the rating criteria as well as possibly detect early warnings of potentially serious problems. CPD Field Offices can use remote monitoring to monitor high-risk grantees during periods of mandatory pandemic-related work from home, as well as to monitor non-high-risk grantees.
- g) Although CPD Field Offices use risk analysis as their primary monitoring basis, they may also identify other areas needing special emphasis during monitoring based on national program reviews and evaluations by Congress, the U.S. Office of Management and Budget (OMB), or the HUD OIG.
- h) When developing individual monitoring strategies, CPD Monitoring Handbook Exhibits should be selected based upon the areas of risk identified by grantee and applicable program(s).

## **VII. Individual Grantee Monitoring Strategy**

Chapter 2, paragraph 2-5A of the CPD Monitoring Handbook, provides guidance on the development of grantee monitoring strategies. Whether monitoring is conducted remotely or on-site, the development of an individual, written monitoring strategy is needed to define the scope and focus the monitoring efforts. It identifies:

1. the programs/areas/functions to be reviewed, including a brief discussion of the high-risk factor(s) identified through the risk analysis process.
2. data or information to be submitted by the program participant prior to monitoring (if any).
3. the names of any participant staff members who will need to be consulted during the monitoring.
4. anticipated staff who will conduct the monitoring (e.g., CPD Representatives and, if participating, any Specialists).
5. clearly defined areas of responsibilities for each reviewer (to avoid duplication) if more than one staff person will be conducting the monitoring.
6. a schedule for carrying out the monitoring tasks and the anticipated time frames.
7. required resources (e.g., travel funds if on-site; time needed if remote); and
8. the planned *CPD Monitoring Handbook 6509.2* Exhibits that are selected based upon the areas of risk identified by grantee and program.

Timely and concise written documentation of the grantee monitoring strategy is an important tool for management use in assessing planned grantee actions against accomplishments.

## **VIII. Recordkeeping**

Each CPD Field Office must document and be able to justify its ranking and management decisions. The documented results to be recorded in GMP-R (with any exceptions noted) consist of:



- Grantee Risk Analysis Worksheets (Attachments A-1, A-2, A-3, A-4, A-5, A-6, A-7, A-8, A-9, and A-10) that provide criteria for evaluation of grantee risk by program area, evaluation comment, and electronic certification.
- Composite Summary Worksheets (Attachments C-1 and C-2) that provide composite summary results of all grantees and programs.
- Exception Reports (Attachments D-1 and D-2) which provide reports that detail exception codes and reasons for any exception(s).

Special instructions regarding NSP-2, as implemented in the competitive side of GMP-R, are as follows:

- NSP-2 – as noted in Section IV. Applicability, if the grantee has received an NSP-1 and/or NSP-3 allocation, and additionally received an NSP-2 allocation, the NSP-2 grantee must be entered into GMP-R using the same score and worksheet. Attachment A-3 will be used to review all the NSP grants a grantee may have.

## **IX. Work Plans**

As a result of assessing those grantees that pose the greatest risk, and program areas in need of improvement, an annual work plan will be developed in accordance with the guidance provided in Chapter 2 of the CPD Monitoring Handbook 6509.2. This work plan must be documented into GMP-R under the Work Plan Module and include the identification of:

- Grantees scheduled for monitoring.
- The programs or functions to be monitored (including, for example, lead-based paint, Section 3, and relocation reviews).
- Method and Type of monitoring, e.g., on-site, or remote.
- Scheduled timeframes for monitoring; and
- Resources needed, such as staff, travel, etc.

Work plans also include:

- Technical assistance and training to be provided to grantees; and
- Other grantees that need to be addressed as part of the annual work plan.

## **X. Contact Information**

Questions regarding the content of this Notice may be directed to Nadab Bynum, Acting Director, Office of Field Management, (215) 861-7652.

Attachment A-1

**Community Development Block Grant (CDBG) Program  
Formula Risk Analysis Worksheet**

**Part I – To Be Completed by CPD Evaluator**

**Name of Grantee:** \_\_\_\_\_ **Fiscal Year Review:** \_\_\_\_\_

**Name of HUD Evaluator:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department
- Identify grantees to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the grantee, using three of the four standard factors selected by the Department to determine the level of risk a grantee may pose to a HUD program. These factors include Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents the Evaluator's assessment of the information available on this grantee. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The Evaluator may accept these auto-populated fields or edit as appropriate.

**FACTOR 1 – GRANT MANAGEMENT**

**Factor Definition:** Extent to which the program participant has the capacity to carry out HUD programs according to established requirements.

**Rating Considerations:** The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills and ability of program staff, and the grantee's administrative capacity to manage the grant, including: the grantee's ability to provide timely reports that are complete and accurate; the complexity of the grantee's program; the grantee's management of its subrecipients; open and

unresolved findings; or problems such as open or stalled activities, staff turnover, lack of experience with Federal grants or project activities, and program workload. The following reports and reporting systems should be considered, including but not limited to: Consolidated Plans, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs), Performance and Evaluation Reports (PERs), Technical Assistance (TA) Plans, the Integrated Disbursement and Information System (IDIS), Office of Inspector General (OIG) audits, Analysis of Impediments to Fair Housing Choice (or an Assessment of Fair Housing), HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.5, and related reporting mechanisms and systems.

The Evaluator should award point values to subfactors A, B and G. Choose only one risk score for these three subfactors from the point values listed below and enter the associated comment(s). The remaining scores and comments for the remaining subfactors are auto-populated from IDIS data.

<b>FACTOR 1 – GRANT MANAGEMENT</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator’s Rating</b>	<b>Evaluator’s Comments</b>	<b>Auto-populated? Yes/No</b>
<b>1. A. Grantee Reporting</b> How would you rate the grantee's overall reporting quality and responsiveness? Risk is based on the grantee meeting report deadlines with primary consideration given to completeness and accuracy of information contained in the Consolidated Plan, Annual Action Plan, Consolidated Annual Performance and Evaluation Report (CAPER) or Performance and Evaluation Report (PER), and Financial Reporting, including the PR26 (Entitlement) or PR28 (State). This score is manually selected.					No
i. The grantee has not been timely in submitting at least two reports within the last three years; OR at least two reports have not been complete and/or accurate.	High	6			
ii. The grantee has submitted at least one report within the last three years that has not been complete, timely, and/or accurate.	Medium	3			
iii. Within the last three years, the grantee has been timely with submitting its reports, and reports have been complete and accurate.	Low	0			
<b>1. B. Staff Capacity</b> Risk is based on current grantee staff capacity and its ability to ensure programmatic compliance with the CDBG regulations, fulfill all grantee obligations, and design a program appropriate to the level of its capacity. This score is manually selected.					No
i. During the last three program years, the grantee has experienced turnover in at least one key position within its program administration, AND the grantee has designed a program more complex than the current capacity and programmatic knowledge of its staff.	High	6			

ii. During the last three program years, the grantee has experienced turnover in at least one key position within its program administration, OR the grantee has designed a program that is more complex than the current capacity and programmatic knowledge of its staff.	Medium	3			
iii. The grantee has not experienced turnover in at least one key position of its program administration and has designed a program that is comparable to the current staff's capacity and programmatic knowledge.	Low	0			
<b>1. C. Management of Subrecipients</b> Does the grantee fund a lot of small-dollar activities that are managed by subrecipients? This score is auto-populated from IDIS data.					Yes
i. Subrecipients carried out 30 percent or more of all non-administration activities over last 5 years and were funded for less than \$5,000.	High	6			
ii. Subrecipients carried out from 15 percent to under 30 percent of all non-administration activities over last 5 years and were funded for less than \$5,000.	Medium	3			
iii. The grantee does not have a large percentage of small-dollar activities going to subrecipients.	Low	0			
<b>1. D. Other Risks</b> Does the grantee either: expend a large portion of housing rehabilitation funding for costs reported as administration of the rehabilitation activities, OR use a significant amount of CDBG funds for code enforcement? This score is auto-populated from IDIS data.					Yes
i. Expenditures for rehab administration are 50 percent or more of overall housing rehab program expenditures; OR expenditures on code enforcement are 10 percent or more of grant over 5-year average; OR the grantee funded a Section 104(d) one-for-one replacement activity or a URA and/or Section 104(d) relocation activity in the past 5 years.	High	6			
ii. Expenditures for rehab administration are from 20 percent to under 50 percent of overall housing rehab program expenditures; OR expenditures on code enforcement are 5 percent or more of the grant over 5-year average.	Medium	3			
iii. No rehab administration and No code enforcement expenditures were reported, or they did not surpass (i) or (ii) above; and No Section 104(d) one-for-one replacement activities	Low	0			

and No URA and/or Section 104(d) relocation activities have been funded in the past 5 years.					
<b>1. E. At-Risk Flags in IDIS</b> Are a high percentage of open activities flagged in IDIS as at-risk? The flags include: 1. an activity has infrequent draws. (For most activities, if there are no draws for a year or more, the activity will be flagged. For planning and administration activities, two years is allowed without a draw, or three years for State CDBG), 2. an activity has been open for three or more years, and no accomplishments have been reported, and 3. the activity is 80 percent drawn down, but no accomplishments have been reported. Note: Certain public facilities and economic development activities are not flagged. This score is auto-populated from IDIS data.					Yes
i. Percent of "Open" activities are flagged as at-risk is more than 50%, or the amount of funds committed to the at-risk activities' is more than 50% of funds that are committed to the all "Open" activities; or the amount of funds committed to at-risk activities is more than two times of current year allocation.	High	6			
ii. Percent of "Open" activities are flagged as at-risk is less than 50%, or the amount of funds committed to the at-risk activities' is less than 50% of funds that are committed to the all "Open" activities; or the amount of funds committed to at-risk activities is less than two times of current year allocation.	Medium	4			
iii. The grantee has no at-risk flags, or a low percentage of activities are flagged.	Low	0			
<b>1. F. Public Benefit for LMI Job (LMJ) Creation or Retention</b> Did the grantee potentially fail the public benefit standard for job creation or retention? This score is auto-populated from IDIS data.					Yes
i. The aggregate cost per full-time equivalent (FTE) is MORE than \$35,000.	High	4			
ii. Less than 75 percent of proposed FTEs are reported as accomplishments.	Medium	2			
iii. No such LMJ activities were reported, OR the reported LMJ activities did not meet (i) or (ii) above.	Low	0			
<b>1. G. Prior Monitoring and Audit Findings</b> Risk is based on OIG audits and the monitoring of the grantee's program by HUD to ensure compliance with program					No

requirements within the last three years; the grantee’s past performance regarding the number of open, overdue, and unresolved findings; OR sanctions have been imposed; OR grantee has not been monitored within the last three years. This score is manually selected.					
i. Within the last three years, the grantee has received two or more findings that are still open, overdue, and unresolved; OR sanctions being imposed on the grantee; OR grantee has not been monitored within the last three years.	High	6			
ii. Within the last three years, the grantee has received one finding that is still open, overdue, and unresolved; OR grantee has had imposed sanctions removed from the grantee.	Medium	3			
iii. None of the above conditions exist.	Low	0			
<b>Subtotal for Grant Management Assessment (Max. 40 pts.)</b>	Subtotal				

**FACTOR 2 – FINANCIAL MANAGEMENT**

**Factor Definition:** The extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

**Rating Considerations:** The basis for the Evaluator’s rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: Integrated Disbursement and Information System (IDIS), audit management systems, audits conducted under 2 CFR part 200, subpart F, findings that require repayment or grant reduction, program income, the operation of Revolving Loan Funds (RLFs), grantee’s financial records, timeliness standards, and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and grantee performance reports.

The Evaluator should award a point value to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment. The remaining scores and comments for the remaining subfactors are auto-populated from IDIS data.

<b>FACTOR 2 – FINANCIAL MANAGEMENT</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator’s Rating</b>	<b>Evaluator’s Comments</b>	<b>Auto-populated? Yes/No</b>
<b>2. A. Grantee Audits required by 2 CFR 200.501</b> Criteria: Assessment is based on the timely submission of audits required under 2 CFR 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal award, but special emphasis is placed on the					No

review of the management letter that should accompany the audit, taking into consideration whether the grantee has received a finding and/or the auditor noted recommendations in a management letter based on its current accounting practices. Audits deadlines are specified in 2 CFR 200.507(c)(1) (for program-specific audits) and 2 CFR 200.512(a)(1) (for single audits). This score is manually selected.					
i. During the last three program years, the grantee has not been timely in its submission of audits required under 2 CFR 200.501; OR has received a finding and/or has received recommendations in a management letter based on its current accounting practices.	High	6			
ii. None of the criteria in subfactor (i) applies.	Low	0			
<b>2. B. Administration and Planning Cap</b> Does the grantee appear to regularly exceed the cap on administration and planning costs? This score is auto-populated from IDIS data.					Yes
i. Expenditures for administration and planning may have exceeded the cap in two of the last five reported years.	High	8			
ii. Expenditures for administration and planning may have exceeded the cap in one of the last five reported years.	Medium	6			
iii. Expenditures appear to be within the administration and planning caps during the last 5 reported years.	Low	0			
<b>2. C. Program Income and Revolving Funds</b> Does the grantee have inactive cash-on-hand, program income, or revolving fund accounts? Inactive accounts may be indicative of noncompliance with cash management principles. This score is auto-populated from IDIS data.					Yes
i. The grantee has a local account (LA) or program income (PI) balance exceeding \$1,000 there has been at least and one year since the last transaction, OR the grantee has a revolving fund balance (RL or SF) exceeding \$10,000, and there have been at least two years since the last transaction.	High	8			
ii. The grantee's program income and revolving fund accounts are active, OR the grantee has not reported program income in IDIS.	Low	0			
<b>2. D. Voucher Revisions</b> Does the grantee have numerous or large voucher revisions in IDIS? "Numerous" refers to having 20 draw revisions or more for any year in the last five years. "Large" refers to total					Yes

revisions of \$500,000 or more in the last five years. This score is auto-populated from IDIS data.					
i. The grantee has voucher revisions totaling over that \$500,000 in the last 5 years; or has 20 or more draw revisions for any year in the last 5 years.	High	8			
ii. The grantee has voucher revisions in the past 5 years of lesser amount and number than (i) above.	Medium	4			
iii. The grantee did not revise a draw in the past 5 years.	Low	0			
<b>2. E. Public Service Cap</b> Does the grantee regularly exceed the cap on public service costs? This score is auto-populated from IDIS data.					Yes
i. Obligations for public services activities may have exceeded the cap in two of the last five reported years.	High	8			
ii. Obligations for public services activities may have exceeded the cap in one of the last five reported years.	Medium	6			
iii. Obligations appear to be within the public services caps during the last five reported years.	Low	0			
<b>2. F. Untimely Expenditure</b> Does the grantee regularly fail the timeliness test? This score is auto-populated from IDIS data.					Yes
i. The grantee failed the timeliness test in two of the last five reported years.	High	6			
ii. The grantee failed the timeliness test in one of the last five reported years.	Medium	3			
iii. The grantee appears to have met the timeliness test for the last five reported years.	Low	0			
<b>2. G. Section 108 Exposure Risk</b> Has the grantee borrowed a significant amount using Section 108 loans by pledging the annual CDBG program for payment? This score is auto-populated from program data.					Yes
i. Total amounts available for commitment and unpaid balances are either over \$3 Million, or over two times the most recent CDBG allocation.	High	4			
ii. Either, the grantee does Not have a Section 108 loan OR, has a Section 108 loan(s) that does not meet (i) above.	Low	0			
<b>Subtotal for Financial Management Assessment (Max. 48 pts.)</b>	Subtotal				



### FACTOR 3 – SERVICES & SATISFACTION

**Factor Definition:** Extent to which HUD program participants deliver a program that is compliant and client's express satisfaction or dissatisfaction with the delivery of program services.

**Rating Considerations:** The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, grantee responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of community support, failure to reply or submit reports, Consolidated Plan, Annual Action Plans, and Consolidated Annual Performance and Evaluation Reports (CAPERs) or Performance and Evaluation Reports (PERs), other financial reporting, and auto-populated tracking systems. The Evaluator should award a point value to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
<b>3. A. Grantee Citizen Complaints / Negative Media Exposure</b> Do local political issues, media exposure, or citizen complaints negatively impact the grantee's ability to meet program objectives? Does the grantee respond timely to citizen complaints and inquiries? Risk is based on negative media or other politically-charged issues involving CDBG funding, significant negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders AND the grantee's ability to respond to these issues timely and effectively. This score is manually selected.					No
i. In the last three years, the grantee has significant negative local political issues, media exposure, or citizen complaints related to its CDBG program AND has not responded timely or effectively to these issues or complaints.	High	12			
ii. In the last three years, the grantee has moderate negative local political issues, media exposure, or citizen complaints related to its CDBG program OR has not responded timely or effectively to issues or complaints.	Medium	6			
iii. In the last three years, the grantee has not had any negative local political issues, media exposure, or citizen complaints related to its CDBG program.	Low	0			
<b>Subtotal for Services and Satisfaction (Max. 12 pts.)</b>	Subtotal				

**Overall Risk Assessment – Total Score**

<b>FACTOR</b>	<b>MAXIMUM SCORE</b>	<b>POINTS ASSIGNED</b>
1. Grant Management	40	
2. Financial Management	48	
3. Services & Satisfaction	12	
Total	100	

**Part II - To be completed by Management Representative(s):**

Subtotal from Part I Risk Assessment	
Adjustment by Exception (note type: A, B, C, D, X)	

**Exceptions:**

- A. The Office of Inspector General is currently conducting an audit of the high-risk grantee or high-risk program(s).
- B. High-risk grantee and/or high-risk program(s) were monitored within the last two years.
- C. Grantee will be provided technical assistance or training in the current Fiscal Year.
- D. Discretionary Monitoring.
- X. Other.

CPD Management Representative(s) \_\_\_\_\_ Date: \_\_\_\_\_

Attachment A-2

**Community Development Block Grant  
Disaster Recovery (CDBG-DR), National Disaster Resilience (CDBG-NDR), and Mitigation (CDBG-MIT) Grants  
Risk Analysis Worksheet**

**Part I – To Be Completed by CPD Evaluator**

**Name of Grantee:** \_\_\_\_\_ **Fiscal Year Review:** \_\_\_\_\_

**Name of HUD Evaluator:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a grantee has failed to comply with requirements; or
- Instances of unacceptable grantee performance

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department
- Identify grantees to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the grantee, using four factors: Grant Management, Financial Management, Services & Satisfaction, and Project-Specific Risk. The first three of these factors are standard factors selected by the Department. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator must choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents the Evaluator's assessment of the information available on this grantee. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The Evaluator may accept these auto-populated fields or edit as appropriate.

**FACTOR 1 – GRANT MANAGEMENT**

**Factor Definition:** Extent to which the grantee has the capacity to carry out HUD grants according to established requirements.

**Rating Considerations:** The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills, and ability of the grantee's staff, and the grantee's administrative capacity to manage the grant, including: the grantee's ability to provide timely reports that are complete and accurate; the complexity of the grantee's activities; the grantee's management of its subrecipients; open and unresolved findings; or problems such as completion of activities, staff turnover, lack of experience with Federal grants or activities. The following reports

and reporting systems should be considered: Action Plan(s) and substantial amendments, grantee quarterly performance reports, Financial Management and Grant Compliance Certification, Technical Assistance Plans, Disaster Recovery Grant Reporting (DRGR), Analysis of Impediments to Fair Housing Choice (or an Assessment of Fair Housing), Office of Inspector General (OIG) audits, HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.15, and related reporting mechanisms and systems.

The Evaluator will award point values to subfactor B, D and F. The Evaluator will choose only one risk score for this subfactor from the point values listed below and document their determination in the Evaluator's Comment field. The remaining scores and comments for the remaining subfactors are auto-populated.

<b>FACTOR 1 – GRANT MANAGEMENT</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator's Rating</b>	<b>Evaluator's Comments</b>	<b>Auto-populated? Yes/No</b>
<b>A. Grantee Reporting on Recovery Progress</b> Criteria: Risk is based on the grantee meeting report deadlines with primary consideration given to the completeness and accuracy of the information contained in the Action Plan, as amended and grantee performance reports.					Yes
i. Grantee has not been timely in submitting two or more reports within the last three fiscal years; OR two or more reports have not been complete, timely, and/or accurate.	High	8			
ii. Grantee has not been timely in submitting one report within the last three fiscal years; OR one report has not been complete, timely, and/or accurate.	Medium	4			
iii. Within the last three fiscal years, the grantee has been timely with submitting its reports, and the reports have been complete and accurate.	Low	0			
<b>B. Grantee Staff Capacity and Financial Capacity</b> Criteria: Risk is based on grantee staff capacity and ability to ensure compliance with CDBG-DR requirements. Significant staff capacity issues may include under-staffing and recent turnover of key staff. Additionally, the grantee may have a highly complex project or activity but lacks the necessary experienced and specialized staff to administer it efficiently.					No
i. During the last three fiscal years, the grantee has experienced turnover in at least one key position within its grant administration, AND the grantee has designed a project or activity that is more complex than the current capacity and	High	14			

programmatic knowledge of its staff; OR financial management staff has demonstrated a lack of knowledge or skill sets needed to administer the financial management responsibilities of the CDBG-DR grants AND grantee has had one or more violations or deficiencies of the applicable regulations, or <i>Federal Register</i> notices requirements in the last three fiscal years.					
ii. Grantee has designed a project or activity that is more complex than the current capacity and programmatic knowledge of its staff; OR financial management staff has demonstrated a lack of knowledge or skill sets needed to administer the financial management responsibilities of the CDBG-DR grant, but the grantee has not had any violations or deficiencies of the requirements in the last three fiscal years, including applicable regulations or <i>Federal Register</i> notice requirements.	Medium	10			
iii. During the last three fiscal years, the grantee has not experienced turnover in at least one key position of its grant administration or violations or deficiencies of applicable regulations or <i>Federal Register</i> notices.	Low	0			
<b>C. Grantee Project or Activity Complexity</b> Criteria: Risk is based on the complexity of the grantee's projects or activities, primarily the number and variety of activity types the grantee is undertaking, which may pose a challenge to the grantee's staff regarding compliance and reporting.					Yes
i. The grantee is administering a grant that implements ten or more activity types.	High	10			
ii. The grantee is administering a grant that implements between five and nine activity types.	Medium	6			
iii. The grantee is administering a grant that implements less than five activity types.	Low	0			
<b>D. Grantee Findings and Sanctions (Monitoring and OIG)</b> Criteria: Risk is based on OIG audits and the monitoring of the grantee's grants by HUD to ensure compliance with applicable requirements within the last three years; the grantee's past performance regarding the number of open, overdue, and					No

unresolved findings; OR sanctions have been imposed; OR grantee has not been monitored in the last three years.					
i. Within the last three fiscal years, the grantee has received <b>two or more</b> findings that are still open; OR sanctions have been imposed on the grantee; OR grantee has not been monitored within the last grant three years.	High	8			
ii. Within the last three fiscal years, the grantee has received <b>one</b> finding that is still open; OR has had imposed sanctions removed.	Medium	4			
iii. None of the above conditions exist.	Low	0			
<b>E. Grantee's Management of Subrecipients</b> Criteria: Risk is based on the grantee's management of its subrecipients.					Yes
i. Grantee uses subrecipients to carry out activities and has demonstrated a lack of management over its subrecipients as evidenced by the absence of reporting of any subrecipient monitoring, technical assistance, and audits in DRGR.	High	8			
ii. Grantee uses subrecipients to carry out projects or activities, but has reported monitoring, technical assistance, or audits in DRGR.	Medium	4			
iii. None of the above conditions exists.	Low	0			
<b>F. Grantee Pre-Award Risk Assessment</b> Criteria: All CDBG-DR and CDBG-MIT grants awarded since 2017 require a Pre-Award Risk Assessment to identify risks associated with the grantee's implementation of the award and develop specific grant conditions to mitigate those risks. The identification of risks and conditions to mitigate risk are based on the conclusions of the Pre-Award Risk Assessment for each grant award.					No
i. The Pre-Award Risk Assessment identified an unmitigated risk which resulted in one or more grant conditions, AND any resulting grant condition is still in effect at the time of this risk analysis.	High	2			

ii. The Pre-Award Risk Assessment identified an unmitigated risk which resulted in one or more grant conditions, but the grantee has met the conditions outlined in the grant agreement, and the specific conditions have been removed.	Medium	1			
iii. The grantee has not received funds since 2017, OR no unmitigated risks were identified through the Pre-Award Risk Assessment.	Low	0			
<b>Subtotal for Grant Management Assessment (Max. 50 pts.)</b>	Subtotal				

**FACTOR 2 – FINANCIAL MANAGEMENT**

**Factor Definition:** The extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

**Rating Considerations:** The basis for the Evaluator’s rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: Disaster Recovery Grant Reporting System (DRGR), audit management systems, audits conducted under 2 CFR part 200, subpart F, findings that require repayment or grant reduction, program income, the operation of Revolving Loan Funds (RLFs), grantee’s financial records, timeliness standards, and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and grantee performance reports.

The Evaluator will award point values to subfactor D. The Evaluator will choose only one risk score for this subfactor from the point values listed below and document their determination in the Evaluator’s Comment field. The remaining scores and comments for the remaining subfactors are auto-populated.

<b>FACTOR 2 – FINANCIAL MANAGEMENT</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator’s Rating</b>	<b>Evaluator’s Comments</b>	<b>Auto-populated? Yes/No</b>
<b>A. CDBG-DR Grant Amount</b> Criteria: Risk is based on the absolute amount of the grantee’s CDBG-DR grant; OR if it is the first year of a new grant; OR if the grantee is a new CDBG-DR grant recipient. During the most recent fiscal year, the grantee was awarded CDBG-DR funds in the amount of:					Yes

i. Three times its current CDBG grant amount for the most recent federal fiscal year; OR the grantee is a new CDBG-DR grant recipient.	High	8			
ii. Two times its current CDBG grant amount for the most recent federal fiscal year.	Medium	6			
iii. Equal to or less than its CDBG grant amount for the most recent federal fiscal year.	Low	0			
<b>B. Grantee Program Income, Revolving Loan Fund, or Float-Funded Activities</b> Criteria: Risk is based on the grantee's use of program income, revolving loan funds activities.					Yes
i. The grantee or its subrecipient(s) received \$1,000,000 or greater in program income; OR funded activities with funds from a Revolving Loan Funds.	High	4			
ii. The grantee or its subrecipient(s) received less than \$1,000,000 in program income.	Medium	2			
iii. The grantee or its subrecipient(s) has not generated any program income or funded activities with funds from a Revolving Loan Fund.	Low	0			
<b>C. Grantee Progress on Expenditure</b> Criteria: Assessment is based on whether the grantee is on track to meet applicable expenditure deadlines based on data entered in DRGR.					Yes
i. The grantee is not on track to meet applicable expenditure deadlines.	High	8			
ii. The grantee is on track to meet applicable expenditure deadlines.	Low	0			
<b>D. Grantee Audits required by 2 CFR 200.501</b> Criteria: Assessment is based on the timely submission of audits required under 2 CFR 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal					No



year in Federal awards, but special emphasis is placed on the review of the management letter that should accompany the audit, taking into consideration whether the grantee has received a finding and/or the auditor noted recommendations in a management letter based on its current accounting practices. Audits deadlines are specified in 2 CFR 200.507(c)(1) (for program-specific audits) and 2 CFR 200.512(a)(1) (for single audits).					
i. During the last three fiscal years, the grantee has not been timely in its submission of audits required under 2 CFR 200.501; OR has received a finding and/or has received recommendations in a management letter based on its current accounting practices.	High	6			
ii. None of the criteria in subfactor (i) applies.	Low	0			
<b>Subtotal for Financial Management Assessment (Max. 26 pts.)</b>	Subtotal				

**FACTOR 3 – SERVICES & SATISFACTION**

**Factor Definition:** Extent to which HUD grantees deliver grant activities and projects that are compliant and clients express satisfaction or dissatisfaction with the delivery of grant activities and projects.

**Rating Considerations:** The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, grantee responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of community support, failure to reply or submit reports, Action Plans, grantee performance reports, and auto-populated tracking systems.

The Evaluator will award point values to subfactor A and B. The Evaluator will choose only one risk score for this subfactor from the point values listed below and document their determination in the Evaluator’s Comment field.

<b>FACTOR 3 – SERVICES &amp; SATISFACTION</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator’s Rating</b>	<b>Evaluator’s Comments</b>	<b>Auto-populated? Yes/No</b>
<b>A. Grantee Citizen Complaints or Negative Media Exposure</b> Criteria: Risk is based on citizen complaints received or negative media exposure to its CDBG-DR grant(s).					No

i. In the last three years, the grantee has experienced negative local political issues, media exposure, or citizen complaints related to its CDBG-DR grant(s) AND has not responded timely or effectively to these issues or complaints.	High	4			
ii. In the last three years, the grantee has not had any negative local political issues, media exposure, or citizen complaints related to its CDBG-DR grant(s).	Low	0			
<b>B. Grantee Responsiveness</b> Criteria: Risk is based upon the grantee's timely response to citizen complaints received.					No
i. Grantee has failed to respond to complaints and/or citizen inquiries forwarded through HUD within prescribed timeframes within the last three fiscal years.	High	4			
ii. Grantee has responded to complaints and/or citizen inquiries within the prescribed timeframes; OR has not received any complaints forwarded through HUD in the last three fiscal years.	Low	0			
<b>Subtotal for Services and Satisfaction (Max. 8 pts.)</b>	Subtotal				

#### FACTOR 4 – PROJECT-SPECIFIC RISK

**Factor Definition:** Extent to which grantees develop and deliver different types of disaster recovery projects and activities that are compliant and meet the recovery needs of the impacted communities.

**Rating Considerations:** The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to consideration of the types of projects or activities the grantee is implementing and the grantee's administrative capacity to manage specific projects and activities effectively; the complexity of the specific recovery projects and activities, and open and unresolved findings specific to the projects. The following reports and reporting systems should be considered, including but not limited to: Action Plans, grantee performance reports, Technical Assistance Plans, Disaster Recovery Grant Reporting (DRGR), Office of Inspector General (OIG) audits, and related reporting mechanisms and systems.

The Evaluator should accept or change auto-populated scores and award point values to subfactors A through D, which are not auto-populated. There should only be one risk score for each subfactor from the point values listed below. If the Evaluator overrides the auto-populated scores, the Evaluator must document their determinations in the Evaluator's Comments field.

FACTOR 4 – PROJECT-SPECIFIC RISK	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
<b>A. Housing Rehabilitation and Reconstruction</b>					Yes

Criteria: Risk is based on the grantee administering a housing rehabilitation and reconstruction assistance project or activity effectively based on the amount of funds drawn and point in the life cycle of the grant.					
i. Grantee has a grant beyond three years of grant agreement execution date, and the grantee has drawn less than 50% of budgeted funds for the activity.	High	4			
ii. Grantee has a grant beyond three years of grant agreement execution date, and the grantee has drawn between 50% and 75% of budgeted funds for the activity.	Medium	2			
iii. Grantee has drawn over 75% of budgeted funds for the housing activity.	Low	0			
<b>B. Acquisition and/or Buyout</b> Criteria: Risk is based on the grantee administering an acquisition or buyout project or activity effectively based on the amount of funds drawn and point in the life cycle of the grant.					Yes
i. Grantee has a grant beyond three years of grant agreement execution date, and the grantee has drawn less than 50% of budgeted funds for the activity.	High	4			
ii. Grantee has a grant beyond three years of grant agreement execution date, and the grantee has drawn between 50% and 75% of budgeted funds for the activity.	Medium	2			
iii. Grantee has drawn over 75% of budgeted funds for the activity OR Grantee offers no acquisition or buyout activities	Low	0			
<b>C. Economic Revitalization</b> Criteria: Risk is based on the grantee administering small business assistance or other economic revitalization project or activity effectively based on the amount of funds drawn and point in the life cycle of the grant.					Yes
i. Grantee has a grant beyond 3 years of grant agreement execution date, and the grantee has drawn less than 50% of budgeted funds for the activity.	High	4			
ii. Grantee has a grant beyond 3 years of grant agreement execution date, and the grantee has drawn between 50% and 75% of budgeted funds for the activity.	Medium	2			

iii. Grantee has drawn over 75% of budgeted funds for the activity; OR Grantee offers no economic revitalization activities.	Low	0			
<b>D. Infrastructure</b> Criteria: Risk is based on the grantee administering an infrastructure project or activity effectively, based on the project design and point in the life cycle of the grant.					Yes
i. Project includes activities 100% funded with CDBG-DR; OR Grant agreement execution date was at least 3 years prior to this risk scoring, and the grantee has obligated less than 50% of budgeted funds for the infrastructure activity.	High	4			
ii. Grant is within 24 months of expenditure deadline, AND Grantee has obligated less than 75% of budgeted funds for the infrastructure activity; OR Grant is NOT within 24 months of expenditure deadline, AND Grantee has obligated between 50% and 75% of budgeted funds for the activity.	Medium	2			
iii. Grantee has obligated greater than 75% of budgeted funds for the infrastructure activities; OR the grant was executed within 3 years of the date of this assessment OR Grantee offers no infrastructure projects or activities.	Low	0			
<b>Subtotal for Project-Specific Risk (Max. 16 pts.)</b>	Subtotal				

**Overall Risk Assessment – Total Score**

<b>FACTOR</b>	<b>MAXIMUM SCORE</b>	<b>POINTS ASSIGNED</b>
1. Grant Management	50	
2. Financial Management	26	
3. Services & Satisfaction	8	
4. Project-Specific	16	
Total	100	

**Part II - To be completed by Management Representative(s):**

Subtotal from Part I Risk Assessment	
Adjustment by Exception (note type: A, B, C, D, X)	

**Exceptions:**

- A. The Office of Inspector General is currently conducting an audit of the high-risk grantee or high-risk grantee projects or activities.
- B. High-risk grantee and/or high-risk projects or activities were monitored within the last two years.
- C. Grantee will be provided technical assistance or training in the current Fiscal Year.
- D. Discretionary Monitoring.
- X. Other.

CPD Management Representative(s) \_\_\_\_\_ Date: \_\_\_\_\_

Attachment A-3

**Neighborhood Stabilization Program (NSP)  
Risk Analysis Worksheet**

**Part I – To Be Completed by CPD Evaluator**

**Name of Grantee:** \_\_\_\_\_ **Fiscal Year Review:** \_\_\_\_\_

**Name of HUD Evaluator:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department
- Identify grantees to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the grantee, using three of the four standard factors selected by the Department to determine the level of risk a grantee may pose to a HUD program. These factors include Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the information available on this grantee. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The evaluator may accept these auto-populated fields or edit as appropriate.

**FACTOR 1 – GRANT MANAGEMENT**

**Factor Definition:** Extent to which the program participant has the capacity to carry out HUD programs according to established requirements.

**Rating Considerations:** The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills, and ability of program staff, and the grantee's administrative capacity to manage the grant, including: the grantee's ability to provide timely reports that are complete and accurate; the complexity of the grantee's program; the grantee's management of its subrecipients; open and unresolved findings; or problems such as open or stalled activities, staff turnover, lack of experience with Federal grants or project activities, and program workload. The following reports and reporting systems should be considered, including but not limited to: Action Plans, Quarterly Performance Reports (QPRs),

Technical Assistance Plans, Disaster Recovery Grant Reporting (DRGR), Analysis of Impediments to Fair Housing Choice (or an Assessment of Fair Housing), Office of Inspector General (OIG) audits, HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.15, and other reporting mechanisms and systems.

The Evaluator should award point values to subfactors B, D, and E. Choose only one risk score for these three subfactors from the point values listed below and enter the associated comment(s) if appropriate. The remaining scores and comments for the remaining subfactors are auto-populated from DRGR data.

<b>FACTOR 1 – GRANT MANAGEMENT</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator's Rating</b>	<b>Evaluator's Comments</b>	<b>Auto-populated? Yes/No</b>
<b>1. A. Grantee Reporting</b> How would you rate the grantee's overall reporting quality and responsiveness? Risk is based on the grantee meeting report deadlines with primary consideration given to completeness and accuracy of information contained in the Action Plan and Quarterly Performance Report (QPR). This score is auto-populated.					Yes
i. The grantee has not been timely in submitting at least two reports within the last three years; OR at least two reports have not been complete and/or accurate.	High	8			
ii. The grantee has submitted at least one report within the last three years that has not been complete, timely, and/or accurate.	Medium	4			
iii. Within the last three years, the grantee has been timely with submitting its reports, and they have been complete and accurate.	Low	0			
<b>1. B. Staff Capacity</b> Risk is based on current grantee staff capacity and its ability to ensure programmatic compliance with the NSP and applicable CDBG regulations, fulfill all grantee obligations, and design a program appropriate to the level of its capacity. This score is manually selected.					No
i. During the last three program years, the grantee has experienced turnover in at least one key position within its program administration, AND the grantee has designed a program more complex than the current capacity and programmatic knowledge of its staff.	High	14			
ii. During the last three program years, the grantee has experienced turnover in at least one key position within its program administration, OR the grantee has designed a program that is more complex than the current capacity and programmatic knowledge of its staff.	Medium	8			

iii. The grantee has not experienced turnover in at least one key position of its program administration and has designed a program that is comparable to the current staff's capacity and programmatic knowledge.	Low	0			
<b>1. C. Grantee Land Banking Activities</b> Risk is based on the grantee undertaking land banking activities. This score is auto-populated.					Yes
i. Within the last three grant years, the grantee has disposed of land-banked properties, AND either it or its subrecipients (including contractors and state recipients) operates or has operated a land bank.	High	4			
ii. Within the last three grant years, the grantee has disposed of land-banked properties.	Medium	2			
iii. None of the above conditions exist.	Low	0			
<b>1. D. Grantee Findings and Sanctions (Monitoring and OIG)</b> Risk is based on OIG audits and the monitoring of the grantee's program by HUD to ensure compliance with program requirements within the last three grant years; the grantee's past performance regarding the number of open, overdue, and unresolved findings; OR sanctions have been imposed; OR the grantee has not been monitored within the last three grant years. This score is manually selected.					No
i. Within the last three grant years, the grantee has received two or more findings that are still open, overdue, and unresolved; OR sanctions have been imposed on the grantee; OR grantee has not been monitored within the last three years.	High	10			
ii. Within the last three grant years, the grantee has received imposed sanctions removed from the grantee.	Medium	6			
iii. None of the above conditions exist.	Low	0			
<b>1. E. Management of Subrecipients</b> Risk is based on the grantee's management of its subrecipients. This score is manually selected.					No
i. Grantee (including States for its state recipients) has demonstrated a lack of management over its subrecipients. This has been demonstrated by, including but not limited to, the lack of a program monitoring schedule, late or inaccurate reporting on activities and/or projects, missing or inaccurate accomplishments being reported in DRGR, its recordkeeping system, HUD	High	4			



management monitoring findings within the last three grant years, etc.					
ii. Grantee uses subrecipients and/or contractors and, for state grantees, uses subgrantees to help administer the program.	Medium	2			
iii. None of the above conditions exists.	Low	0			
<b>Subtotal for Grant Management Assessment (Max. 40 pts.)</b>	Subtotal				

## FACTOR 2 – FINANCIAL MANAGEMENT:

**Factor Definition:** The extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

**Rating Considerations:** The basis for the Evaluator's rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: Disaster Recovery Grant Reporting System (DRGR), audit management systems, single audits, findings that require repayment or grant reduction, program income, the operation of Revolving Loan Funds (RLFs), Loan Servicing, grantee's financial records, timeliness standards and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and grantee performance reports.

The Evaluator should award a point value to subfactor D. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment if appropriate. The remaining scores and comments for the remaining subfactors are auto-populated from DRGR data.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
<b>2. A. NSP Grant Balance</b> Risk is based on the total LOC balance of the grantee's NSP grant(s) [NSP-1, NSP-2, and NSP-3]. This score is auto-populated.					Yes
i. \$500,000 or greater.	High	12			
ii. At least \$100,000 but less than \$500,000.	Medium	8			
iii. Less than \$100,000.	Low	0			
<b>2. B. Grantee Expenditures</b> Risk is based on the expenditure rate/activity of Active grants. This score is auto-populated.					Yes
i. The grantee has an active grant with no expenditures over the last 12 quarters.	High	15			

ii. The grantee has an active grant with no expenditures over the last 4 quarters.	Medium	10			
iii. The grantee has an active grant with expenditures over the last 4 quarters.	Low	0			
<b>2. C. Voucher Revisions</b> Does the grantee make frequent or unexplained revisions to NSP vouchers? Risk is based on the frequency and dollar amount of NSP voucher revisions. This score is auto-populated.					Yes
i. The grantee has made voucher revisions totaling in excess of \$5 million over the last 12 quarters.	High	15			
ii. The grantee has made voucher revisions totaling more than \$500,000, but less than \$5 million over the last 12 quarters.	Medium	10			
iii. The grantee has made voucher revisions totaling less than \$500,000 over the last 12 quarters.	Low	0			
<b>2. D. Grantee Audits required by 2 CFR 200.501</b> Assessment is based on the timely submission of audits required under 2 CFR 200.501 for recipients of federal funds that expend \$750,000 or more in Federal awards during the non-Federal entity's fiscal year, but special emphasis is placed on the review of the management letter that should accompany the audit, taking into consideration whether the grantee has received a finding and/or the auditor noted recommendations in a management letter based on its current accounting practices. Audit deadlines are specified in 2 CFR 200.507(c)(1) (for program-specific audits) and 2 CFR 200.512(a)(1) (for single audits).					No
i. During the last three program years, the grantee has not been timely in its submission of audits required under 2 CFR 200.501; OR has received a finding and/or has received recommendations in a management letter based on its current accounting practices.	High	6			
ii. None of the criteria in subfactor (i) applies	Low	0			
<b>Subtotal for Financial Management Assessment (Max. 48 pts.)</b>	Subtotal				

### FACTOR 3 – SERVICES & SATISFACTION

**Factor Definition:** Extent to which HUD program participants deliver a program that is compliant and clients express satisfaction or dissatisfaction with the delivery of program services.

**Rating Considerations:** The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, grantee responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of community support, failure to reply or submit reports, Action Plans, Quarterly Performance Reports (QPRs), and automated tracking systems.

The Evaluator should award point values to subfactors A and B. There should only be one risk score for each subfactor from the point values listed below. The Evaluator must document their determinations in the Evaluator’s Comments field.

<b>FACTOR 3 – SERVICES &amp; SATISFACTION</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator’s Rating</b>	<b>Evaluator’s Comments</b>	<b>Auto-populated? Yes/No</b>
<b>3. A. Grantee Citizen Complaints or Negative Media Exposure</b> Risk is based on citizen complaints received or negative media exposure to its program.					No
i. Citizen complaints have been received within the last three grant years through such sources as citizen letters, phone calls, hotline complaints, newspaper articles, internet postings, emails, etc., and the grantee was found to be in violation of NSP requirements.	High	6			
ii. Citizen complaints have been received within the last three grant years through such sources as citizen letters, phone calls, hotline complaints, newspaper articles, internet postings, emails, etc. <b>but</b> the grantee was found <b>not</b> in violation of NSP requirements; OR no citizen complaints have been received during the last three grant years.	Medium	0			
<b>3. B. Grantee Responsiveness</b> Risk is based upon the grantee’s timely response to citizen complaints received.					No
i. Grantee has failed to respond to complaints and/or citizen inquiries forwarded through HUD within prescribed timeframes within the last three grant years		6			
ii. Grantee has responded to complaints and/or citizen inquiries within the prescribed timeframes; OR has not received any complaints forwarded through HUD in the last three grant years.		0			
<b>Subtotal for Services and Satisfaction (Max. 12 pts.)</b>	Subtotal				

**Overall Risk Assessment – Total Score**

<b>FACTOR</b>	<b>MAXIMUM SCORE</b>	<b>POINTS ASSIGNED</b>
1. Grant Management	40	
2. Financial Management	48	
3. Services & Satisfaction	12	
Total	100	

**Part II - To be completed by Management Representative(s):**

Subtotal from Part I Risk Assessment	
Adjustment by Exception (note type: A, B, C, D, X)	

**Exceptions:**

- A. The Office of Inspector General is currently conducting an audit of the high-risk grantee or high-risk program(s).
- B. High-risk grantee and/or high-risk program(s) were monitored within the last two years.
- C. Grantee will be provided technical assistance or training in the current Fiscal Year.
- D. Discretionary Monitoring.
- X. Other.

CPD Management Representative(s) \_\_\_\_\_ Date: \_\_\_\_\_

Attachment A-4

**HOME Investment Partnerships (HOME) Program  
Formula Risk Analysis Worksheet**

**Part I – To Be Completed by CPD Evaluator**

**Name of Grantee:** \_\_\_\_\_ **Fiscal Year Review:** \_\_\_\_\_

**Name of HUD Evaluator:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance

Participating Jurisdiction (PJ) Risk is assessed to:

- Determine PJs that pose the highest risk to the Department
- Identify PJs to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase PJ effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the PJ, using three of the four standard factors selected by the Department to determine the level of risk a PJ may pose to a HUD program. These factors include Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the information available on this PJ. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The Evaluator may accept these auto-populated fields or edit as appropriate.

**FACTOR 1 – GRANT MANAGEMENT**

**Factor Definition:** Extent to which the program participant has the capacity to carry out HUD programs according to established requirements.

**Rating Considerations:** The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills and ability of program staff, and the PJ's administrative capacity to manage the grant, including: the PJ's ability to provide timely reports that are complete and accurate; the complexity of the PJ's program; the PJ's management of its subrecipients; open and unresolved findings; or

problems such as open or stalled activities, staff turnover, lack of experience with Federal grants or project activities, and program workload. The following reports and reporting systems should be considered, including but not limited to: Consolidated Plans, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs), Performance and Evaluation Reports (PERs), Technical Assistance (TA) Plans, the Integrated Disbursement and Information System (IDIS), Office of Inspector General (OIG) audits, Analysis of Impediments to Fair Housing Choice (or an Assessment of Fair Housing), HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.5, and related reporting mechanisms and systems.

The Evaluator should award point values to subfactors E, F and H. Choose only one risk score for these three subfactors from the point values listed below and enter the associated comment(s) if appropriate. The remaining scores and comments for the remaining subfactors are auto-populated from IDIS data.

<b>FACTOR 1 – GRANT MANAGEMENT</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator's Rating</b>	<b>Evaluator's Comments</b>	<b>Auto-populated? Yes/No</b>
<p><b>1. A. Involuntarily Terminated Status</b> Does the PJ have activities that failed to meet the 4-year project completion requirement or are at-risk of missing the 4-year project completion requirement? Risk is based on HOME regulations in 24 CFR 92.205(e) that require PJs to complete projects within 4 years of executing a legally binding written agreement evidencing a commitment of HOME funds. Projects that do meet this requirement are automatically flagged for involuntary termination in HUD's Integrated Disbursement and Information System (IDIS). This score is auto-populated from IDIS data.</p>					Yes
i. The PJ has at least one involuntarily terminated activity in IDIS.	High	15			
ii. The PJ has received at least one warning flag for involuntary termination within 30 and 90 days, OR the PJ has been flagged for involuntary termination in the past 365 days	Medium	10			
iii. The PJ did not receive a High or Medium score.	Low	0			
<p><b>1. B. Infrequent Draw Status</b> Does the PJ have activities that are flagged for Infrequent Draw for 12 Months or More? Risk is based on HOME projects that are not disbursing funds timely, which may be an indication of a stalled project. IDIS automatically flags activities for which HOME funds have been disbursed, but there haven't been any drawdowns in a 12-month period. The risk is calculated by determining the average number of infrequent draw flags among all activities with infrequent draw flags. This score is auto-populated from IDIS data.</p>					Yes

i. The PJ has an average of 4 or more flags for every activity flagged for Infrequent Draw for 12 months or more.	High	5			
ii. The PJ has an average of 2 or more, but less than 4 flags for every activity flagged for Infrequent Draw for 12 months or more.	Medium	3			
iii. The PJ has an average of less than 2 flags for every flagged Infrequent Draw for 12 months or more.	Low	0			
<b>1. C. Percent of Infrequent Draw Status</b> Does the PJ have activities that are flagged for Infrequent Draw for 12 Months or More? Risk is based on HOME projects that are not disbursing funds timely, which may be an indication of a stalled project. IDIS automatically flags activities for which HOME funds have been disbursed, but there haven't been any drawdowns in a 12-month period. The metric is calculated based on the percentage of all open HOME activities flagged for Infrequent Draws. This score is auto-populated from IDIS data.					Yes
i. 100% - 14% of the PJ's open HOME activities are flagged for Infrequent Draw for 12 months or more.	High	5			
ii. More than 0 and less than 14% of the PJ's open HOME activities are flagged for Infrequent for 12 months or more.	Medium	3			
iii. The PJ has 0 HOME activities are flagged for Infrequent Draw for 12 months or more.	Low	0			
<b>1. D. Time to Project Completion</b> Does the PJ take a reasonable amount of time, on average, to move HOME projects from commitment to completion? Risk is calculated based on the average number of years it takes for the PJ to complete HOME projects. This score is auto-populated from IDIS data.					Yes
i. The PJ takes longer than 94% or more of PJs to move projects from commitment to completion.	High	10			
ii. The PJ takes longer than 70% or more of PJs but less time than 94% of PJs to move projects from commitment to completion.	Medium	5			
iii. The PJ takes less time than 70% or more of PJs to move projects from commitment to completion.	Low	0			
<b>1. E. Staff Capacity</b> Do staffing issues negatively impact the PJ's ability to carry out programs? Risk is based on PJ staff capacity to ensure programmatic compliance with HOME requirements, fulfill all PJ obligations, and design a program appropriate to the level of its capacity. Significant staff capacity issues may include under-staffing and recent turnover of key staff. Additionally, the PJ					No

may have a highly complex program but lack the necessary experienced and specialized staff to administer it effectively and efficiently. This score is manually selected and not scaled.					
i. Significant staff capacity issues are negatively impacting the PJ's program administration. In the last 3 program years, the PJ has experienced turnover in at least 1 key position within its program administration, AND the program the PJ has designed is more complex than the current capacity and programmatic knowledge of the staff.	High	10			
ii. Moderate staff capacity issues are creating challenges for the PJ's program administration. In the last 3 program years, the PJ has experienced turnover in at least 1 key position within its program administration, OR the PJ has designed a program that is more complex than the current capacity and programmatic knowledge of its staff.	Medium	5			
iii. The PJ has a low risk of compliance problems stemming from staff capacity issues. The PJ has not experienced recent turnover in at least one key position of its program administration and has designed a program that is comparable to the current staff's capacity and programmatic knowledge.	Low	0			
<b>1. F. Audit Findings</b> How would you rate the overall severity of prior OIG audit or SAA findings and their resolution? SAA assessment is based on the timely submission of audits required under 2 CFR 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal awards. Special emphasis should be placed on the review of the management letter that accompanies the audit, taking into consideration whether the PJ has received a finding and/or the auditor noted recommendations in a management letter based on its current accounting practices. Audits deadlines are specified in 2 CFR 200.507(c)(1) (for program-specific audits) and 2 CFR 200.512(a)(1) (for single audits).					No
i. The PJ has unaddressed open OIG audit findings, or the PJ has not been timely in its submission of audits under 2 CFR 200.501 or has received a finding and/or has received recommendations in a management letter based on its current accounting practices.	High	5			
ii. Within the last 5 years, the PJ had OIG audit findings or SAA findings or received recommendations in a management letter	Medium	3			



based on its current accounting practices that are either closed or corrective actions are being carried out by the PJ.					
iii. The PJ has no OIG audit findings or SAA findings and/or received recommendations in a management letter based on its accounting practices within the past 5 years.	Low	0			
<b>1. G. CPD Monitoring Findings</b> How would you rate the overall severity of prior CPD monitoring findings and their resolution? This score is automatically generated using GMP-R data.					Yes
i. The PJ has unaddressed open CPD monitoring findings.	High	5			
ii. Within the last 5 years, the PJ had OIG audit findings or SAA findings or received recommendations in a management letter based on its current accounting practices that are either closed or corrective actions are being carried out by the PJ.	Medium	3			
iii. The PJ has no CPD monitoring findings within the last 5 years.	Low	0			
<b>1. H. Reporting Quality</b> How would you rate the PJ's overall reporting quality? This score is manually selected and not scaled.					No
i. Within the last 3 years, the PJ made a request for an extension, the ConPlan and CAPER submissions were returned for modification, AND HOME activity reporting in IDIS was incomplete or lacked detail.	High	5			
ii. Within the last 3 years, HOME activity reporting in IDIS was incomplete and lacked detail.	Medium	3			
iii. The PJ's overall reporting quality is sufficient or better.	Low	0			
<b>Subtotal for Grant Management Assessment (Max. 60 pts.)</b>	Subtotal				

## FACTOR 2 – FINANCIAL MANAGEMENT:

**Factor Definition:** The extent to which the PJ accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

**Rating Considerations:** The basis for the Evaluator's rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: Integrated Disbursement and Information System (IDIS), audit management systems, Single audits, findings that require repayment or grant reduction, program income, PJ's financial records, timeliness standards, and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and PJ performance reports. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment if appropriate. All scores and comments for the subfactors are auto-populated from IDIS data.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
<b>2. A. Final Draw Status</b> Does the PJ have activities that remain open 120 days or more after the final drawdown of HOME funds? Risk is based on HOME regulations at 24 CFR 92.502(d) that require PJs to complete projects within 120 days of the final disbursement of funds in IDIS. Final Draw Status indicates the PJ has fully disbursed all funds committed to the project in IDIS. The score is derived by looking at the PJ's activity which has the most days since its final draw date.					Yes
i. The PJ has at least one open activity that was fully drawn 120 days or more from the date the report/data is run.	High	10			
ii. The PJ has at least one open activity that was fully drawn 30 days or more but less than 120 days from the date the report/data is run.	Medium	5			
iii. The PJ did not receive a High or Medium score.	Low	0			
<b>2. B. Allocation Years Unexpended</b> Does the PJ have a large number of years' worth of unexpended HOME funds when compared to a recent HOME allocation? Risk is calculated based on the average number of years of unexpended HOME funds. The logic takes a PJ's total LOCCS grant balance and divides it by the obligated amount of the PJ's recent fiscal year's HOME grant. This score is auto-populated from IDIS data.					Yes
i. The PJ is in the top 33% of PJs with years of unexpended HOME Funds when compared to other PJs.	High	15			
ii. The PJ is in the top 66% but under the top 33% of PJs with years of unexpended HOME Funds when compared to other PJs.	Medium	10			
iii. The PJ is under the top 66% of PJs with years of unexpended HOME Funds when compared to other PJs.	Low	0			
<b>2. C. Repayments</b> In the last 3 years, has the PJ repaid funds for ineligible costs or activities? Risk is calculated based on the amount of HOME funds repaid to the Treasury account, the local account, or through a voluntary grant reduction, as a percent of the PJ's recent fiscal year's HOME allocation. This score is auto-populated from IDIS data.					Yes

i. The PJ is in the top 50% of PJs that repaid HOME funds in the last 3 years, based on the amount of repayments when compared to other PJs.	High	10			
ii. The PJ has repaid HOME funds in the last 3 years but is under the top 50% of PJs based on the amount of repayments when compared to other PJs.	Medium	7			
iii. The PJ has not repaid HOME funds in the last 3 years.	Low	0			
<b>Subtotal for Financial Management Assessment (Max. 35 pts.)</b>	Subtotal				

**FACTOR 3 – SERVICES & SATISFACTION**

**Factor Definition:** Extent to which HUD program participants deliver a program that is compliant and clients express satisfaction or dissatisfaction with the delivery of program services.

**Rating Considerations:** The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, PJ responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of community support, failure to reply or submit reports, Consolidated Plan, Annual Action Plans, and Consolidated Annual Performance and Evaluation Reports (CAPERs) and other financial reporting, and auto-populated tracking systems. The Evaluator should award a point value to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment if appropriate.

<b>FACTOR 3 – SERVICES &amp; SATISFACTION</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator’s Rating</b>	<b>Evaluator’s Comments</b>	<b>Auto-populated? Yes/No</b>
<p><b>3. A. PJ Responsiveness / Negative Politics and Media</b>                      Do local political issues, media exposure, or citizen complaints negatively impact the PJ's ability to meet program objectives?                      Does the PJ respond timely to citizen complaints and inquiries?                      Risk is based on negative media or other politically charged issues involving HOME funding, significant negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders AND the PJ's ability to respond to these issues timely and effectively.                      This score is manually selected and not scaled.</p>					No
i. In the last 3 years, the PJ has significant negative local political issues, media exposure, or citizen complaints related to its HOME program AND has not responded timely or effectively to these issues or complaints.	High	5			

ii. In the last 3 years, the PJ has moderate negative local political issues, media exposure, or citizen complaints related to its HOME program OR has not responded timely or effectively to issues or complaints.	Medium	3			
iii. In the last 3 years, the PJ has not had any negative local political issues, media exposure, or citizen complaints related to its HOME program.	Low	0			
<b>Subtotal for Services and Satisfaction (Max. 5 pts.)</b>	Subtotal				

**Overall Risk Assessment – Total Score**

<b>FACTOR</b>	<b>MAXIMUM SCORE</b>	<b>POINTS ASSIGNED</b>
1. Grant Management	60	
2. Financial Management	35	
3. Services & Satisfaction	5	
Total	100	

**Part II - To be completed by Management Representative(s):**

Subtotal from Part I Risk Assessment	
Adjustment by Exception (note type: A, B, C, D, X)	

**Exceptions:**

- A. The Office of Inspector General is currently conducting an audit of the high-risk PJ or high-risk program(s).
- B. High-risk grantee and/or high-risk program(s) were monitored within the last two years.
- C. PJ will be provided technical assistance or training in the current Fiscal Year.
- D. Discretionary Monitoring.
- X. Other.

CPD Management Representative(s) \_\_\_\_\_ Date: \_\_\_\_\_

Attachment A-5

**Emergency Solutions Grants  
Formula Risk Analysis Worksheet  
Part I – To Be Completed by CPD Evaluator**

**Name of Grantee:** \_\_\_\_\_ **Fiscal Year Review:** \_\_\_\_\_

**Name of HUD Evaluator:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a recipient has failed to comply with program requirements; or
- The recipient has performed unacceptably
- 

Recipient Risk is assessed to:

- Determine recipients that pose the highest risk to the Department
- Identify recipients to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase recipient effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the recipient, using the four standard factors selected by the Department to determine the level of risk a recipient may pose to a HUD program. The four factors include: Grant Management, Financial Management, Services & Satisfaction, and Physical. Listed under each factor is a set of one or more subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. You are to choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the factual information available on this recipient. This score should be indicated in the Evaluator's Rating Box. Assessment indicators used in evaluating criteria should be available through current reporting systems or readily available information.

**FACTOR 1 – GRANT MANAGEMENT**

**Factor Definition:** Extent to which the recipient has the capacity to carry out HUD programs according to established requirements.

**Rating Considerations:** The basis for the Evaluator's rating in this factor is based on information that directly evidences the recipient's capacity to administer the grant, including the scope of eligible activities and subrecipients; progress in implementing the project, changes in staff during the last year, lack of experience with Federal grants or project activities, and frequency and level of technical assistance required by the recipient/subrecipient to carry out activities. The following reports and reporting systems can be considered, including but not limited to: Consolidated Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs), Integrated Disbursement and Information System (IDIS), Analysis of Impediments to Fair Housing Choice (or an Assessment of Fair Housing), Office of Inspector General (OIG) audits, and other reporting mechanisms and systems. Environmental Compliance, Relocation, and Acquisition Policies Compliance, and Flood Insurance Protection Compliance may be considered. ESG funds may be used for various eligible activities, including renovation and shelter operation activities. Each building renovated with ESG funds must be maintained as a shelter for homeless individuals and families for

not less than a period of 3 or 10 years as specified in 24 CFR 576.102(c)(1), unless the only ESG funds used for the renovation were ESG-CV funds (and/or FY2020 or earlier fiscal year ESG funds used in accordance with section IV of the [ESG-CV Notice \(Notice CPD-21-08\)](#)), the shelter meets the “temporary emergency shelter” definition in the ESG-CV Notice, and the building is used and disposed of as provided by 2 CFR 200.311.

The 3- or 10-year period of use requirement starts on the date the building is first occupied by a homeless individual or family after the completed renovation.

The Evaluator should award point values to subfactors A through F. Choose only one risk score for each subfactor from the point values listed below.

<b>FACTOR 1 – GRANT MANAGEMENT</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator’s Rating</b>	<b>Evaluator’s Comments</b>	<b>Auto-populated? Yes/No</b>
<b>A. Recipient Reporting</b> Criteria: Risk is based on the recipient meeting deadlines while ensuring completeness and accuracy of information contained therein. Reports and submissions include Consolidated Annual Performance and Evaluation Reports (CAPERs).					Yes
i. Two or more of recipient’s required CAPER submissions for the last three program years were not submitted within the prescribed timeframe.	High	8			
ii. At least one of the CAPER submissions has not been received within the prescribed timeframe.	Medium	4			
iii. All recipient’s required CAPER submissions are complete AND have been received by the Field Office within prescribed timeframes for the three most recent program years.	Low	0			
<b>B. Recipient Staff Capacity</b> Criteria: Risk is based on the current staff’s ability to ensure compliance with the regulations and fulfill all of the recipient’s obligations under the program (includes financial staff that may be separate from administrative). (Key staff is defined as staff with assigned management and administrative responsibilities for program compliance with regulations.)					No
i. During the last three program years, key staff have demonstrated an inability to administer the ESG program as evidenced through serious or numerous violations of regulations, recurring monitoring finding(s), or failure to resolve open findings timely, or poor performance that is ongoing that the recipient has failed to improve within a reasonable time period; OR one or more vacancies for key ESG staff have existed for more than six months.	High	8			
ii. Although key staff have not demonstrated an inability to administer the ESG program as specified in (i) above, one or	Medium	6			

more vacancies for key staff have existed for the past 3 to 6 months; OR key program staff have been hired in the past two program years but lack necessary experience and have not received program training.					
iii. No program deficiencies have been identified as evidenced through violations or findings or poor performance, AND any key staff vacancies have existed for less than three months AND any key staff hired in the past program year have received or do not need program training.	Low	0			
<b>C. Program Complexity</b> Criteria: Risk is based on recipient's ability to administer complex program activities, as measured by overseeing multiple subrecipients.					Yes
i. Recipient funds and oversees more than 20 subrecipients.	High	8			
ii. Recipient funds and oversees 10 –20 subrecipients.	Medium	6			
iii. Recipient funds and oversees less than 10 subrecipients.	Low	0			
<b>D. Recipient Findings and Sanctions (Monitoring and OIG)</b> Criteria: Risk is based on the monitoring of the recipient's program by HUD to ensure compliance with program requirements, including cross-cutting programmatic requirements (relocation, environmental, nondiscrimination, lead-based paint, etc.).					No
i. Within the last three program years, the recipient has received two or more findings that are still open, overdue, and unresolved; OR sanctions have been imposed on the recipient; OR the recipient has not been monitored within the last three years.	High	9			
ii. Recipient has one finding that is still open and unresolved; OR has had sanctions imposed that have subsequently been removed.	Medium	6			
iii. Recipient has been monitored, or there has been an OIG audit, and there have been no findings identified.	Low	0			
<b>E. Physical Condition of Emergency Shelters</b> Criteria: Risk is based on the recipient's use of ESG funds for renovation or shelter operations and the related emergency shelter's physical condition. (Consider the last three grant years)					Yes
i. HUD has not conducted a review of the physical conditions of any ESG-funded emergency shelter within the past three program years; OR previous monitoring findings (on-site or remote)	High	7			

concerning the physical condition of ESG-funded emergency shelters remain unresolved.					
ii. HUD conducted a review of the physical conditions of an ESG-funded emergency shelter within the past three program years, but not during the last two program years.	Medium	4			
iii. HUD has conducted an on-site review of the physical conditions of ESG-funded emergency shelters during the last two program years; AND there were no findings relating to shelter standards; OR recipient did not use ESG funds for renovation or shelter operations.	Low	0			
<b>Subtotal for Grant Management Assessment (Max. 40 pts.)</b>	Subtotal				

**FACTOR 2 – FINANCIAL MANAGEMENT**

**Factor Definition:** Extent to which the recipient accounts for and manages financial resources in accordance with financial management standards and the amount of potential monetary exposure to the Department.

**Rating Considerations:** The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to, financial management and information systems such as: Integrated Disbursement and Information System (IDIS), audit management systems, audits required by 2 CFR 200.501, assessment of recipient’s drawdown history, submission of required documents, timeliness standards and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems and recipient performance reports.

The Evaluator should award point values to subfactors A through E. Choose only one risk score for each subfactor from the point values listed below.

<b>FACTOR 2 – FINANCIAL MANAGEMENT</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator’s Rating</b>	<b>Evaluator’s Comments</b>	<b>Auto-populated? Yes/No</b>
<b>A. Staff Capacity for Financial Compliance</b> Criteria: Risk is based on the key financial management staff’s ability to administer the financial management responsibilities for the ESG program. (Key financial management staff is defined as staff with direct oversight of financial records and/or distribution of program funds.) Consider the last three program years.					No
i. One or more violations findings or concerns have been identified with respect to the recipient’s compliance with 2 CFR part 200; OR one or more vacancies for key financial	High	10			



management staff of ESG programs have existed for more than six months.					
ii. Although no violations, findings, or concerns have been identified with the recipient's compliance with 2 CFR part 200, one or more vacancies for key financial management staff have existed for the past 3 to 6 months; OR key financial management staff have been hired in the past program year and have not received ESG financial management training.	Medium	5			
iii. No financial management deficiencies have been identified as evidenced through violations, findings, or concerns, AND any key financial management staff vacancies have existed for less than three months AND any key staff hired in the past program year has received ESG financial management training.	Low	0			
<b>B. Grant Amount</b> Criteria: Risk is based upon the recipient's grant amount for the most recently completed program year.					Yes
i. The recipient's grant amount for the most recently completed program year falls within the top 10% of all ESG grants awarded within the Field Office's jurisdiction for the same program year.	High	5			
ii. The recipient's grant amount for the most recently completed program year falls between 50-90% of all ESG- grants awarded within the Field Office's jurisdiction within the same program year.	Medium	3			
iii. The recipient's grant amount for the most recently completed program year falls within the lowest 50% of all ESG grants awarded within the Field Office's jurisdiction within the same program year.	Low	0			
<b>C. Program Administration Cap</b> Criteria: Risk is based on the recipient's ability to not exceed the administrative activities cap.					Yes
i. Recipient has exceeded the administrative activities cap for the ESG program for the most recently completed program year.	High	5			
ii. Recipient has not exceeded the administrative activities cap for the most recent program year; however, the recipient has exceeded the cap one or more times within the last three program years.	Medium	3			
iii. Recipient has not exceeded the administrative activities cap during the three most recently completed program years.	Low	0			

<b>D. 24-Month Expenditure Provisions</b> Criteria: Risk is based on the recipient meeting the 24-month expenditure deadline as evidenced by the most recent CAPER, IDIS PR02 or other reports, and the Emergency Shelter Grants program.					Yes
i. The recipient has violated the most recent 24-month expenditure deadline.	High	10			
ii. Within the last three years, the recipient failed to meet the 24-month expenditure deadline at least once.	Medium	5			
iii. Over the last three years, the recipient has not demonstrated any problem with meeting the 24-month expenditure deadline.	Low	0			
<b>E. Recipient Audits under 2 CFR 200.501</b> Criteria: Assessment is based on the timely submission of audits under 2 CFR 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal awards, but special emphasis is placed on the review of the management letter that should accompany the audit, taking into consideration whether or not the recipient has received a finding and/or the auditor noted recommendations in a management letter based on its current accounting practices. Audits deadlines are specified in 2 CFR 200.507(c)(1) (for program-specific audits) and 2 CFR 200.512(a)(1) (for single audits).					No
i. During the last three program years, the recipient has not been timely in its submission of the audits required under 2 CFR 200.501; OR has received a finding and/or has received recommendations in a management letter based on its current accounting practices.	High	5			
ii. None of the criteria in subfactor (i) applies.	Low	0			
<b>Subtotal for Financial Management Assessment (Max. 35 pts.)</b>	Subtotal				

### FACTOR 3 – SERVICES & SATISFACTION

**Factor Definition:** Extent to which program participants express satisfaction or dissatisfaction with the delivery of program services and the extent to which HUD recipients effectively and efficiently deliver services to intended beneficiaries/program participants.

**Rating Considerations:** The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to: client- or citizen-originated correspondence, recipient responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of recipient support, failure to reply or submit reports, Consolidated Plans, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs), automated tracking systems, correspondence, the release of funds requests, local-, HQ-, or recipient-generated automated reports or spreadsheets, and the Integrated Disbursement and Information System (IDIS). The Evaluator should consider the recipient’s overall effectiveness in carrying out program activities and delivery to target populations.

The Evaluator should award point values to subfactors A through E. Choose only one risk score for each subfactor from the point values listed below.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
<b>A. Recipient Citizen Complaints or Negative Media Exposure</b> Criteria: Risk is based on the receipt of citizen complaints and/or negative media exposure resulting in violations of ESG regulations.					No
i. In the last three years, the recipient has negative local political issues, media exposure, or citizen complaints related to the ESG program.	High	8			
ii. In the last three years, the recipient has had no negative local political issues or media exposure, but citizen complaints have been received that are concerns and could lead to possible future violations if not addressed by the recipient.	Medium	5			
iii. In the last three years, no negative local political issues, media exposure, or valid complaints have been received.	Low	0			
<b>B. Recipient Responsiveness</b> Criteria: Risk is based upon the recipient’s timely response to citizen complaints received.					No
i. Recipient has failed to respond to complaints and/or citizen inquiries forwarded through HUD within prescribed timeframes during the last three program years.	High	5			

ii. Recipient has responded to complaints and/or citizen inquiries OR has not received any complaints forwarded through HUD within prescribed timeframes.	Low	0			
<b>C. Homelessness Prevention</b> Criteria: Risk is based on the classification of Homelessness Prevention activities and the recipient's ability to carry out activities in compliance with program requirements.					Yes
i. Homelessness Prevention activity costs exceeded 50 percent of the annual allocation.	High	6			
ii. Homelessness Prevention activities exceeded 30 percent of the annual allocation but did not exceed 50 percent of the annual allocation.	Medium	4			
iii. Homelessness Prevention activities are classified properly and are limited to no more than 30 percent of the annual allocation.	Low	0			
<b>D. Street Outreach and Emergency Shelter</b> Criteria: Risk is based on the classification of Street Outreach and Emergency Shelter activities limited to no more than 60 percent of the annual allocation amount committed to homeless assistance activities and the recipient's ability to carry out activities in compliance with program requirements.					Yes
i. Activity costs exceed 60 percent of the annual allocation.	High	6			
ii. Activity costs were less than 60 percent of the annual allocation.	Low	0			
<b>Subtotal for Services and Satisfaction (Max. 25 pts.)</b>	Subtotal				

**Overall Risk Assessment – Total Score**

<b>FACTOR</b>	<b>MAXIMUM SCORE</b>	<b>POINTS ASSIGNED</b>
1. Grant Management	40	
2. Financial Management	35	
3. Services & Satisfaction	25	
Total	100	

**Part II - To be completed by Management Representative(s):**

Subtotal from Part I Risk Assessment	
Adjustment by Exception (note type: A, B, C, D, X)	

**Exceptions:**

- A. The Office of Inspector General is currently conducting an audit of the high-risk recipient or high-risk program(s).
- B. High-risk recipient or high-risk program(s) were monitored within the last two years.
- C. Recipient will be provided technical assistance or training in the current Fiscal Year.
- D. Discretionary Monitoring.
- X. Other.

**CPD Management Representative(s)** \_\_\_\_\_ **Date:** \_\_\_\_\_

Attachment A-6

**Housing Opportunities for Persons with AIDS (HOPWA) Program  
Formula Risk Analysis Worksheet  
Competitive Risk Analysis Worksheet  
CARES Act Risk Analysis Worksheet  
Competitive CARES Act Risk Analysis Worksheet**

**Part I – To Be Completed by CPD Evaluator**

**Name of Grantee:** \_\_\_\_\_ **Fiscal Year Review:** \_\_\_\_\_

**Name of HUD Evaluator:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department
- Identify grantees to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the HOPWA grantees using four standard factors selected by the Department to determine the level of risk a grantee may pose to a HUD program. The four factors are: Grant Management, Financial Management, Services & Satisfaction, and Physical Assets. Listed under each factor is a set of one or more subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. You are to choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the information available on this grantee. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. Assessment indicators used in evaluating criteria should be available through current reporting systems or readily available information.

**FACTOR 1 - GRANT MANAGEMENT**

**Factor Definition:** Extent to which the grantee has the capacity to carry out the HOPWA/HOPWA-C/HOPWA-CV/HOPWA-C-CV program according to established requirements.

**Rating Considerations:** The basis for the Evaluator's rating in this factor is based on information that directly evidences the grantee's capacity to administer the grant, including the scope of eligible activities and recipients; progress in implementing the project, changes in key staff during the last year, changes in the

agency's missions or direction, regulatory violations, experience with Federal grants or project activities, and frequency and level of technical assistance required by the grantee before and during a project. The following reports and reporting systems can be considered, including, but not limited to: Consolidated Plans, annual performance data reported in Consolidated Annual Performance and Evaluation Reports (CAPERs) and Annual Performance Report (APRs), Technical Assistance Plans, the Integrated Disbursement and Information System (IDIS), Office of Inspector General (OIG) audits, Analysis of Impediments to Fair Housing Choice (or an Assessment of Fair Housing), HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.15, and other reporting mechanisms and systems.

The Evaluator should award point values to Subfactors A through E. Choose only one risk score for each subfactor from the point values listed below.

<b>FACTOR 1 – GRANT MANAGEMENT</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator's Rating</b>	<b>Evaluator's Comments</b>	<b>Auto-populated? Yes/No</b>
<b>1. A. Grantee Reporting</b> Criteria: Risk is based on the Grantee meeting report deadlines, with the main considerations being timeliness, completeness, and accuracy of the information contained in the Annual Performance Report (APR) or Consolidated Annual Performance and Evaluation Report (CAPER) for the last three program years.					Yes
i. In the past 3 program years, the Grantee submitted a report that meets at least two of the below criteria for being untimely, inaccurate, and/or incomplete 1. was submitted more than 1 week (7 days) after the due date (untimely). 2. did not make Tier 1 (inaccurate and/or incomplete). 3. required more than 3 submissions to achieve Tier 1.	High	6			
ii. In the past 3 program years, a Grantee submitted a report that did not make Tier 1 <b>or</b> was submitted more than 1 week (7 days) after the due date; <b>or</b> required more than 3 submissions to achieve Tier 1.	Medium	3			
iii. In the past 3 program years, all reports submitted by Grantee have been considered timely and complete.	Low	0			
<b>1. B. Program Complexity</b> Criteria: Risk is based on the Grantee complexity in program design. Grantee information regarding the number of project sponsors is found in the grantee's Annual Performance Report (APR) or Consolidated Annual Performance and Evaluation Report (CAPER).					Yes
i. A grantee carries out a program with four or more sponsors, <u>and</u> the grantee or sponsor receives funding from two or more additional entities (e.g., HHS, State, City, and Foundation)	High	4			

within the three most recent program years; Or the grantee carries out both formula and competitive HOPWA funds.					
ii. A grantee carries out a program with two to three sponsors; <u>or</u> the grantee or sponsor receives funding from two or more additional entities (e.g., HHS, State, City, and Foundation) within the three most recent program years.	Medium	2			
iii. A grantee carries out a program with zero or only one project sponsor, AND the grantee or sponsor receives funding from less than two funding sources within the three most recent program years.	Low	0			
<b>I. C. Grantee Staff Capacity</b> <u>Criteria:</u> Risk is based on the current staff capacity of the grantee regarding its ability to ensure programmatic compliance with the regulations and fulfill all its obligations as a grantee (includes financial staff that may be separate from administrative). (Key staff is defined as staff with assigned management and administrative responsibilities for program compliance with rules and regulations, inclusive of staff assigned with oversight of project sponsors.)					No
i. In the last 3 program years, the grantee has experienced turnover in at least 1 key position w/in its program administration, AND the program design is more complex than the current staff's programmatic knowledge. Evidence includes: (a) Serious or numerous violations of regulations; or (b) Recurring monitoring findings or failure to resolve open findings timely; or (c) Poor performance that is ongoing, that the grantee has failed to improve within a reasonable time period; or (d) One or more vacancies for key HOPWA staff have existed for more than six months; or (e) The grantee's program activities have changed; or (f) Lack of project sponsor monitoring by the grantee (1 or fewer).	High	6			
ii. The grantee has experienced turnover in at least 1 key position w/in its program administration, <u>or</u> the grantee's program design is more complex than the current staff's programmatic knowledge (see above description).	Medium	3			
iii. Grantee has not experienced turnover in at least one key position of its program administration and has designed a program that is comparable to the current staff's capacity and programmatic knowledge (see above description).	Low	0			



<b>1. D. Grantee Findings and Sanctions (Monitoring and OIG)</b> <u>Criteria:</u> Risk is based on the monitoring of the grantee's program by HUD to ensure compliance with program requirements within the last three program years and includes the following: the grantee's past performance regarding the number of open and unresolved findings or monetary sanctions/repayments/grant reductions that have been imposed.					No
i. Within the last three years, the grantee has received two or more findings that are still open and unresolved; <b>and</b> monetary sanctions/repayments/grant reductions have been imposed on the grantee; <b>and</b> HUD has not conducted an on-site monitoring of the HOPWA program within the last three years.	High	6			
ii. Within the last three years, the grantee has received one finding that is still open and unresolved; <b>or</b> monetary sanctions/repayments/grant reductions have been imposed on the grantee; <b>or</b> HUD has not conducted an on-site monitoring of the HOPWA program within the last three years.	Medium	3			
iii. None of the above conditions exist.	Low	0			
<b>1. E. Grantee Program Compliance</b> <u>Criteria:</u> Risk is based on the length of time since the most recent monitoring of the HOPWA Grantee.					Yes
i. Grantee's HOPWA program has not been monitored in the past 7 years, or no record of monitoring in the official system	High	10			
ii. Most recent monitoring of the Grantee's HOPWA program was between 4-6 program years.	Medium	5			
iii. Most recent monitoring of the Grantee's HOPWA program was within the most recent 3 program years.	Low	0			
<b>Subtotal for Grant Management Assessment (Max. 32 pts.)</b>	Subtotal				

## FACTOR 2 – FINANCIAL MANAGEMENT

**Factor Definition:** Extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

**Rating Considerations:** The basis for the Evaluator's rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: the Integrated Disbursement and Information System (IDIS), audit management systems, audits conducted under 2 CFR part 200,

subpart F, assessment of grantee's drawdown history (i.e., IDIS/LOCCS/PAS), submission of required documents, timeliness standards and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems and grantee performance reports.

The Evaluator should award point values to Subfactors A through H. Choose only one risk score for each subfactor from the point values listed below.

<b>FACTOR 2 – FINANCIAL MANAGEMENT</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator's Rating</b>	<b>Evaluator's Comments</b>	<b>Auto Populated? Yes/No</b>
<b>2. A. Staff Capacity for Financial Compliance</b> <u>Criteria:</u> Assessment of risk for this factor is based upon financial management compliance with the HOPWA monitoring Exhibits, 2 CFR part 200, regulations, and other documents available to the Evaluator.					No
i. During the last three program years, as evidenced through the information available (e.g., audits, IDIS, citizen correspondence, previous HUD monitoring, grantee correspondence with CPD), financial management staff has demonstrated a lack of knowledge or skill sets needed to administer the financial management responsibilities for the HOPWA program AND has had <u>one or more violations</u> of HOPWA grant agreements, regulations and 2 CFR 200 (as documented through fiscal monitoring).	High	5			
ii. During the last three program years, as evidence described in (i), financial management staff demonstrated a lack of knowledge or skill sets needed to administer the financial management responsibilities for the HOPWA program AND has <u>not</u> had any violations of 2 CFR 200 (as documented through fiscal monitoring).	Medium	2			
iii. During the last three program years, financial management staff has not demonstrated a lack of knowledge or skill sets, AND no financial management deficiencies have been identified as evidence through violations or findings.	Low	0			
<b>2. B. Administration Grantee Monitoring Findings (CPD Monitoring Only)</b> <u>Criteria:</u> Risk is based on the monitoring of the grantee's program by HUD to ensure compliance with financial requirements within the last three program years and includes the following: the grantee's past performance regarding the number of open and unresolved financial related findings or monetary sanctions/repayments/grant reductions that have been imposed.					Yes

During the last three program years, Grantee has 3 or more closed financial findings or concerns and currently has open financial findings within GMP-system.	High	10			
ii. During the last three program years, Grantee has either 3 or more closed financial findings or concerns, <u>or at least 1 current open financial finding or concern with GMP-system.</u>	Medium	5			
iii. Grantee has none of the above criteria.	Low	0			
<b>2. C. Grantee-Audits required by 2 CFR 200.501</b> <u>Criteria:</u> Assessment is based on the timely submission of the audits required under 2 CFR 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal awards, but special emphasis is placed on the review of the management letter that should accompany the audit, taking into consideration whether the grantee has received a finding and/or the auditor noted recommendations in a management letter based on its current accounting practices. Audits deadlines are specified in 2 CFR 200.507(c)(1) (for program-specific audits) and 2 CFR 200.512(a)(1) (for single audits).					No
i. During the last three program years, the grantee has not been timely in its submission of the audits required by 2 CFR 200.501; OR has received a finding and/or has received recommendations in a management letter based on its current accounting practices.	High	4			
ii. None of the criteria in subfactor (i) applies.	Low	0			
<b>2. D. Program Administration Cap</b> <u>Criteria:</u> Assessment is based upon the statutory percentage cap place on HOPWA grantees. The administrative cost cap is limited to a percent of the grantee awarded amount in (24 CFR 574.300(b)(10)(i)) or Notice CPD-20-05 for CARES Act funding. The grantee's most recent administration expenditures can be viewed in HUD financial systems or the CAPER					Yes
i. The Grantee <b>has exceeded</b> the administration cap within the last three most recent program years.	High	3			
ii. The grantee <b>has not exceeded</b> the administration cap within the three most recent program years	Medium	0			

<b>2. E. Open Activities (grant specific) with No Draws within HUD Financial System</b> <u>Criteria:</u> Assessment of risk for this factor is based upon a review of HUD financial systems and Grantee's ability to maintain an accurate account of HOPWA finances					Yes
i. Over 10% of Grantee funded activities with a balance remaining have not had funds drawn in IDIS within one year.	High	3			
ii. 9%-5% of Grantee funded activities with a balance have not had funds drawn in IDIS within one year.	Medium	1			
iii. Less than 5% of Grantee funded activities with a balance remaining have not had funds drawn in IDIS within one year.	Low	0			
<b>2. F. Late Financial Disbursements within HUD financial system</b> Does the grantee regularly fail the timeliness test? This score is auto-populated from IDIS data.					Yes
i. Over 2% of Grantee unexpended funds are associated with activities that have had no completed drawdowns within one year.	High	3			
ii. 2% or less of Grantee unexpended funds are associated with activities that have had no completed drawdown within one year.	Low	0			
<b>2. G. Delay in Contracting HOPWA-funds</b> <u>Criteria:</u> Assessment of risk for this factor is based upon a review of the amount of time between grant start and commitment in IDIS of HOPWA funds					Yes
i. 0% of HOPWA funds were committed to IDIS within 120 days of the grant start	High	3			
ii. 1%-99% of HOPWA funds were committed to IDIS activities within 120 days of grant start.	Medium	1			
iii. 100% of HOPWA funds were committed to IDIS activities within 120 days of grant start.	Low	0			
<b>2. H. Slow Spending</b> <u>Criteria:</u> Assessment of risk for this factor is based upon a review of timely financial drawdowns with the financial system by the Grantee.					Yes
i. Grantee has completed drawdowns of HOPWA funds during the grant period that are more than 90 days apart.	High	3			
ii. Grantee has completed drawdowns of HOPWA funds during the grant period that are 90 days apart or less.	Low	0			
<b>Subtotal for Financial Management Assessment (Max. 34 pts.)</b>	Subtotal				

### FACTOR 3 – SERVICES & SATISFACTION

**Factor Definition:** Extent to which HUD program participants effectively and efficiently deliver services to intended beneficiaries/clientele and clients or beneficiaries express satisfaction or dissatisfaction with the delivery of program services.

**Rating Considerations:** The Evaluator should consider the planned program support and how it is appropriately being carried out to address the intended range of housing needs and related supportive services issues, including any specialized efforts for sub-populations of homeless clients or difficulty in serving the proposed number of participants or moving homeless/persons living with HIV/AIDS clients to permanent housing as well as considering information that could be obtained from, but not limited to: Freedom of Information Act (FOIA) requests; Consolidated Plans, Annual Action Plans, Annual Performance Reports (APR), Consolidated Annual Performance and Evaluation Reports (CAPERS), correspondence, local-, HQ-, or grantee-generated automated reports or spreadsheets, correspondence or other communication to HUD, the grantee or other parties with respect to the project and any written or other responses by the grantee, any recent problems, such as citizen complaints, newspaper articles, internet postings, Congressional inquiries, and other forms of correspondence, the grantee/project sponsor's response/failure to submit reports or respond to inquiries, and the loss of community support.

The Evaluator should award point values for Subfactors A through C. Choose only one risk score for each subfactor from the point values listed below.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto Populated? Yes/No
<b>3. A. Grantee Citizen Complaints / Negative Media Exposure and Responsiveness to Citizen Complaints</b> <u>Criteria:</u> Risk is based on citizen complaints received or negative media exposure to its program, which leads to a violation of HOPWA regulations and timeliness to the response of citizen complaints.					No
i. Citizen complaints have been received during the last three program years through such sources as citizen letters, phone calls, hotline complaints, newspaper articles, internet postings, emails, etc., AND the grantee was found to be in violation of HOPWA regulations AND failed to respond or be responsive to complaints and/or citizen inquiries forwarded through HUD within prescribed timeframes during the last three program years.	High	6			
ii. Citizen complaints have been received during the last three program years through such sources as citizen letters, phone calls, hotline complaints, newspaper articles, internet postings, emails, etc. that were found to be either: <ol style="list-style-type: none"> <li>1. Grantee was found to be in violation of HOPWA regulations OR,</li> </ol>	Medium	3			

2. Grantee failed to respond or be responsive to complaints and/or citizen inquiries forwarded through HUD within prescribed timeframes during the last three program years.					
iii. Citizen complaints have been received during the last three program years through such sources as citizen letters, phone calls, hotline complaints, newspaper articles, internet postings, emails, etc., AND the grantee was found <b>not</b> to be in violation of HOPWA requirements, AND grantee was timely in response to complaints and/or citizen inquiries; OR no valid citizen complaints have been received during the most recently completed program year as described in (i).	Low	0			
<b>3. B. Low Access to Care</b> Criteria: Risk is based upon grantee compliance with obtaining programmatic goals for eligible HOPWA households.					Yes
i. Access to Care percentage is 50% or <u>below</u> for at least 2 ATC categories in the analysis (no matter if any ATC category is above 80%).	High	8			
ii. Access to Care percentage is <u>between</u> 79% - 51% for at least 2 or more ATC categories in the analysis	Medium	4			
iii. Access to Care percentage is <u>above</u> 80% for any one or more ATC categories in the analysis, and neither (i) or (ii) are prevalent.	Low	0			
<b>3. C. Exits to Non-Permanent Housing Outcome</b> Criteria: Risk is based upon grantee compliance with obtaining programmatic goals for eligible HOPWA households.					Yes
i. If participants exited to “unstable” housing averages <u>over</u> 15%. Programs include: TBRA, Permanent facility-based housing, - STRMU (not counted in risk if “temporarily housed”)	High	5			
ii. If participants exited to “unstable” housing, averages between 11% - 15%. Programs include TBRA, Permanent facility-based housing, STRMU (not counted in risk if “temporarily housed”)	Medium	3			
iii. If participants exited to “unstable” housing average is <u>under</u> 10%. Programs include: TBRA, Permanent facility-based housing, STRMU (not counted in risk if “temporarily housed”)	Low	0			
<b>Subtotal for Services and Satisfaction (Max. 19 pts.)</b>	Subtotal				

## FACTOR 4 – PHYSICAL ASSETS

**Factor Definition:** Extent to which HUD-funded physical assets are developed, maintained, and operated according to established standards.

**Rating Consideration:** The basis for the Evaluator’s rating is derived from HUD’s inspection of records and reports, observation of the grantee’s proper use of established forms and procedures, information received through public comments, A-133 or other audits, and Consolidated Plans, Annual Action Plans, Annual Performance Reports (APR), Consolidated Annual Performance and Evaluation Reports (CAPERS), and other sources of information. The Evaluator should consider any existing or previously identified problems with the physical assets and the extent to which problems have been or are likely to be corrected; whether HUD funds are used for acquisition, construction, or rehabilitation activities; the number of sites at which HUD-funded physical assets are located and the activities supported by the physical asset and the extent of any previous on-site monitoring.

The Evaluator should award point values to subfactors A through B. Choose only one risk score for each subfactor from the point values listed below.

FACTOR 4 – PHYSICAL ASSETS	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto Populated? Yes/No
<b>4. A. Operating Facility-based Program with HOPWA funds</b> <u>Criteria:</u> Risk for this factor is based upon the design, development, maintenance, and operation of HOPWA-funded physical assets.					Yes
i. The grantee operates one or more facility-based programs with HOPWA funds, <u>and</u> the number of facility-based open and/or closed findings is 3 or more in the past three program years.	High	10			
ii. The grantee operates one or more facility-based programs with HOPWA funds, <u>or</u> the number of facility-based open and/or closed facility-based findings within the past three is years is 3 or more.	Medium	5			
iii. The grantee does not meet the criteria set in (i) or (ii).	Low	0			
<b>4. B. Acquisition, Constructions, and Rehabilitation of Physical Assets</b> <u>Criteria:</u> Assessment of this factor is based upon the grantee’s use of program funds for acquisition, construction, and rehabilitation within the past three program years.					Yes
i. The grantee has used HOPWA funds for the acquisition or construction or over \$20k in rehabilitation funds or used HOPWA funds to repair a current property for housing or residential program any instance within the three most recent program years.	High	5			

ii. The grantee has used under \$20k in HOPWA funds for the minor rehabilitation or repair of a physical asset; or used HOPWA funds to repair a current property for housing or residential program any instance within the three most recent program years. Grantee did not use any HOPWA funds on acquisition or construction.	Medium	3			
iii. No HOPWA funds have been utilized for the acquisition, construction, or any rehabilitation of a physical asset, excluding minor maintenance or repairs within the three most recent program years.	Low	0			
<b>Subtotal for Physical Assets (Max. 15 pts.)</b>	Subtotal				

**Overall Risk Assessment – Total Score**

<b>FACTOR</b>	<b>MAXIMUM SCORE</b>	<b>POINTS ASSIGNED</b>
1. Grant Management	<b>32</b>	
2. Financial Management	<b>34</b>	
3. Services & Satisfaction	<b>19</b>	
4. Physical Assets	<b>15</b>	
Total	<b>100</b>	

**Part II - To be completed by Management Representative(s):**

Subtotal from Part I Risk Assessment	
Adjustment by Exception (note type: A, B, C, D, X)	

**Exceptions:**

- A. The Office of Inspector General is currently conducting an audit of the high-risk grantee or high-risk program(s).
- B. High-risk grantee and/or high-risk program(s) were monitored within the last two years
- C. Grantee will be provided technical assistance or training in the current Fiscal Year.
- D. Discretionary Monitoring.
- X. Other.

CPD Management Representative(s) \_\_\_\_\_ Date: \_\_\_\_\_



Attachment A-7

**Community Development Block Grant Program Coronavirus Response Grants (CDBG-CV)  
Formula Risk Analysis Worksheet**

**Part I – To Be Completed by CPD Evaluator**

**Name of Grantee:** \_\_\_\_\_ **Fiscal Year Review:** \_\_\_\_\_

**Name of HUD Evaluator:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department
- Identify grantees to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the grantee, using three of the four standard factors selected by the Department to determine the level of risk a grantee may pose to a HUD program. These factors include Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. You are to choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the information available on this grantee. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The evaluator may accept these auto-populated fields or edit as appropriate.

**FACTOR 1 – GRANT MANAGEMENT**

**Factor Definition:** Extent to which the program participant has the capacity to carry out HUD programs according to established requirements.

**Rating Considerations:** The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills, and ability of program staff, and the grantee's administrative capacity to manage the grant, including: the grantee's ability to provide timely reports that are complete and accurate; the complexity of the grantee's program; the grantee's management of its subrecipients; open and

unresolved findings; or problems such as open or stalled activities, staff turnover, lack of experience with Federal grants or project activities, and program workload. The following reports and reporting systems should be considered, including but not limited to: Consolidated Plans, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs), Performance and Evaluation Reports (PERs), Technical Assistance Plans, the Integrated Disbursement and Information System (IDIS), Office of Inspector General (OIG) audits, Analysis of Impediments to Fair Housing Choice (or an Assessment of Fair Housing), HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.5, and related reporting mechanisms and systems.

The Evaluator should award point values to subfactors A, B, and F. Choose only one risk score for these three subfactors from the point values listed below and enter the associated comment(s). The remaining scores and comments for the remaining subfactors are auto-populated from IDIS data.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
<b>1. A. Grantee Reporting</b> How would you rate the grantee's overall reporting quality and responsiveness? Risk is based on the grantee meeting report deadlines with primary consideration given to completeness and accuracy of the information contained in the Consolidated Plan, Annual Action Plan, Consolidated Annual Performance and Evaluation Report (CAPER) or Performance and Evaluation Report (PER), and Financial Reporting, including the PR26 (Entitlement) or PR28 (State). This score is manually selected.					No
i. The grantee has not been timely in submitting at least two reports within the last three years; OR at least two reports have not been complete and/or accurate.	High	8			
ii. The grantee has submitted at least one report within the last three years that has not been complete, timely, and/or accurate.	Medium	4			
iii. Within the last three years, the grantee has been timely with submitting its reports, and they have been complete and accurate.	Low	0			
<b>1. B. Staff Capacity</b> Do staffing issues negatively impact the grantee's ability to carry out programs? Risk is based on current grantee staff capacity and its ability to ensure programmatic compliance with the CDBG regulations and CDBG-CV requirements, including CDBG-CV specific waivers and alternative requirements, fulfill all grantee obligations, and design a program appropriate to the level of its capacity. This score is manually selected.					No
i. During the last three program years, the grantee has experienced turnover in at least one key position within its	High	8			

program administration, AND the grantee has designed a program more complex than the current capacity and programmatic knowledge of its staff.					
ii. During the last three program years, the grantee has experienced turnover in at least one key position within its program administration, OR the grantee has designed a program that is more complex than the current capacity and programmatic knowledge of its staff.	Medium	4			
iii. The grantee has not experienced turnover in at least one key position of its program administration and has designed a program that is comparable to the current staff's capacity and programmatic knowledge.	Low	0			
<b>1. C. Management of Subrecipients</b> Does the grantee fund a lot of small-dollar activities that are managed by subrecipients? This score is auto-populated from IDIS data.					Yes
i. i. Subrecipients carried out 30 % or more of all non-administration activities over the last five years and were funded for less than \$5,000.	High	8			
ii. Subrecipients carried out from 15 % to under 30 % of all non-administration activities over the last five years and were funded for less than \$5,000.	Medium	4			
iii. The grantee does not have a large percentage of small-dollar activities going to subrecipients.	Low	0			
<b>1.D. At-Risk Flags in IDIS</b> Are a high percentage of open CDBG-CV activities flagged in IDIS as at-risk? The flags include: 1. an activity has infrequent draws. (For most activities, if there are no draws for a year or more, the activity will be flagged. For planning and administration activities, two years is allowed without a draw, or three years for State CDBG-CV), 2. an activity has been open for three or more years, and no accomplishments have been reported, and 3. the activity is 80 % drawn down, but no accomplishments have been reported. Note: Certain public facilities and economic development activities are not flagged. This score is auto-populated from IDIS data.					Yes
i. % of "Open" activities are flagged as at-risk is more than 50%, or the amount of funds committed to the at-risk activities' is more than 50% of funds that are committed to all "Open" activities; or	High	8			

the amount of funds committed to at-risk activities is more than two times of current year allocation.					
ii. % of "Open" activities are flagged as at-risk is less than 50%, or the amount of funds committed to the at-risk activities' is less than 50% of funds that are committed to all "Open" activities; or the amount of funds committed to at-risk activities is less than two times of current year allocation.	Medium	4			
iii. The grantee has no at-risk flags, or a low percentage of activities are flagged.	Low	0			
<b>1. E. Public Benefit for LMI Job (LMJ) Creation or Retention</b> Did the grantee potentially fail the public benefit standard for job creation or retention? This score is auto-populated from IDIS data.					Yes
i. The cost per FTE is MORE than \$85,000 where jobs are created or retained, OR expenditures per person exceed \$1,700 where goods and services are provided.	High	8			
ii. Less than 75 % of proposed FTEs are reported as accomplishments.	Medium	4			
iii. No such LMJ activities were reported, OR the reported LMJ activities did not meet (i) or (ii) above.	Low	0			
<b>1. F. Prior Monitoring and Audit Findings</b> Risk is based on OIG audits and the monitoring of the grantee's program by HUD to ensure compliance with program requirements within the last three years; the grantee's past performance regarding the number of open, overdue, and unresolved findings; OR sanctions have been imposed; OR grantee has not been monitored within the last three years. This score is manually selected.					No
i. Within the last three years, the grantee has received two or more findings that are still open, overdue, and unresolved; OR sanctions have been imposed on the grantee; OR grantee has not been monitored within the last three years.	High	8			
ii. Within the last three years, the grantee has received one finding that is still open, overdue, and unresolved; OR has had imposed sanctions removed from the grantee.	Medium	4			
iii. None of the above conditions exist.	Low	0			
<b>Subtotal for Grant Management Assessment (Max. 48 pts.)</b>	Subtotal				

**FACTOR 2 – FINANCIAL MANAGEMENT:**

**Factor Definition:** The extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

**Rating Considerations:** The basis for the Evaluator’s rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: Integrated Disbursement and Information System (IDIS), audit management systems, Single audits, findings that require repayment or grant reduction, program income, the operation of Revolving Loan Funds (RLFs), Section 108 Loan Guarantees, grantee’s financial records, timeliness standards, and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and grantee performance reports. The Evaluator should award a point value to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment. The remaining scores and comments for the remaining subfactors are auto-populated from IDIS data.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
<p><b>2. A. Grantee Audits required by 2 CFR 200.501</b>                      Assessment is based on the timely submission of audits required under 2 CFR 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity’s fiscal year in Federal awards, but special emphasis is placed on the review of the management letter that should accompany the audit, taking into consideration whether the grantee has received a finding and/or the auditor noted recommendations in a management letter based on its current accounting practices. Audits deadlines are specified in 2 CFR 200.507(c)(1) (for program-specific audits) and 2 CFR 200.512(a)(1) (for single audits). This score is manually selected.</p>					No
<p>i. During the last three program years, the grantee has not been timely in its submission of audits required under 2 CFR 200.501; OR has received a finding and/or has received recommendations in a management letter based on its current accounting practices.</p>	High	8			
<p>ii. None of the criteria in subfactor (i) applies</p>	Low	0			
<p><b>2.B. Administration and Planning Cap</b>                      Is the grantee within the 20 % cap on administration, management, and planning costs? If a State grantee, is it within the 5 % caps on State administration costs and the 2 % cap on Technical Assistance costs. This score is auto-populated from IDIS data.</p>					Yes

i. The grantee has exceeded the cap for administration, management, and planning costs (All grantees) or for administration or technical assistance costs (State grantees only).	High	8			
ii. The grantee has not exceeded the applicable caps.	Low	0			
<b>2. C. Voucher Revisions</b> Does the grantee have numerous or large voucher revisions in IDIS? “Numerous” refers to having 20 revisions or more. “Large” refers to total revisions of \$500,000 or more. This score is auto-populated from IDIS data.					Yes
i. The grantee has voucher revisions totaling over that \$500,000 in the last five years; or has 20 or more draw revisions for any year in the last five years.	High	8			
ii. The grantee has voucher revisions in the past five years of lesser amount and number than (i) above.	Medium	4			
iii. The grantee did not revise a draw in the past five years.	Low	0			
<b>2. D. Expenditures at Third Year of Period of Performance</b> Did the grantee expend 80 % of all CDBG-CV funds by the end of the third year of the period of performance (PoP)? This score is auto-populated from IDIS data.					Yes
i. The grantee did not meet its 80% grant expenditure goal within the first three years.	High	8			
ii. The grantee met its 80% grant expenditure goal within the first three years, or the grantee's third year has not been completed.	Low	0			
<b>2. E. Expenditure Rate</b> Risk is based on the grantee's rate of expenditures to expend 100% of its grant award(s) within the six-year period of performance. This score is auto-populated from IDIS data.					Yes
i. The grantee is not on pace to expend the entire grant before the end of the period of performance (PoP). This criterion is first measured in the 4th year of the PoP.	High	8			
ii. The grantee is on track to expend 100% of its grant award(s) within the period of performance; OR the grantee does not have a grant in the 4 <sup>th</sup> or later year of the PoP.	Low	0			
<b>Subtotal for Financial Management Assessment (Max. 40 pts.)</b>	Subtotal				

### FACTOR 3 – SERVICES & SATISFACTION

**Factor Definition:** Extent to which HUD program participants deliver a program that is compliant and clients express satisfaction or dissatisfaction with the delivery of program services.

**Rating Considerations:** The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, grantee responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of community support, failure to reply or submit reports, Consolidated Plan, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs) or Performance and Evaluation Report (PERs), other financial reporting, and auto-populated tracking systems. The Evaluator should award a point value to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
<b>3.A. Grantee Citizen Complaints / Negative Media Exposure</b> Do local political issues, media exposure, or citizen complaints negatively impact the grantee's ability to meet program objectives? Does the grantee respond timely to citizen complaints and inquiries? Risk is based on negative media or other politically charged issues involving CDBG-CV funding, significant negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders AND the grantee's ability to respond to these issues timely and effectively. This score is manually selected.					No
i. In the last three years, the grantee has significant negative local political issues, media exposure, or citizen complaints related to its CDBG-CV program AND has not responded timely or effectively to these issues or complaints.	High	12			
ii. In the last three years, the grantee has moderate negative local political issues, media exposure, or citizen complaints related to its CDBG-CV program OR has not responded timely or effectively to issues or complaints.	Medium	6			
iii. In the last three years, the grantee has not had any negative local political issues, media exposure, or citizen complaints related to its CDBG-CV program.	Low	0			
<b>Subtotal for Services and Satisfaction (Max. 12 pts.)</b>	Subtotal				

**Overall Risk Assessment – Total Score**

<b>FACTOR</b>	<b>MAXIMUM SCORE</b>	<b>POINTS ASSIGNED</b>
1. Grant Management	48	
2. Financial Management	40	
3. Services & Satisfaction	12	
<b>Total</b>	100	

**Part II - To be completed by Management Representative(s):**

Subtotal from Part I Risk Assessment	
Adjustment by Exception (note type: A, B, C, D, X)	

**Exceptions:**

- A. The Office of Inspector General is currently conducting an audit of the high-risk grantee or high-risk program(s).
- B. High-risk grantee and/or high-risk program(s) were monitored within the last two years.
- C. Grantee will be provided technical assistance or training in the current Fiscal Year.
- D. Discretionary Monitoring.
- X. Other.

CPD Management Representative(s) \_\_\_\_\_ Date: \_\_\_\_\_



Attachment A-8

**Emergency Solutions Grants - Coronavirus (ESG-CV)  
Formula Risk Analysis Worksheet**

**Part I – To Be Completed by CPD Evaluator**

**Name of Grantee:** \_\_\_\_\_ **Fiscal Year Review:** \_\_\_\_\_

**Name of HUD Evaluator:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a recipient has failed to comply with program requirements; or
- The recipient has performed unacceptably

Recipient Risk is assessed to:

- Determine recipients that pose the highest risk to the Department
- Identify recipients to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase recipient effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the recipient, using the four standard factors selected by the Department to determine the level of risk a recipient may pose to a HUD program. The four factors include: Grant Management, Financial Management, Services & Satisfaction, and Physical. Listed under each factor is a set of one or more subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. You are to choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the factual information available on this recipient. This score should be indicated in the Evaluator's Rating Box. Assessment indicators used in evaluating criteria should be available through current reporting systems or readily available information.

**FACTOR 1 – GRANT MANAGEMENT**

**Factor Definition:** Extent to which the recipient has the capacity to carry out HUD programs according to established requirements.

**Rating Considerations:** The basis for the Evaluator's rating in this factor is based on information that directly evidences the recipient's capacity to administer the grant, including the scope of eligible activities and subrecipients; progress in implementing the project, changes in staff during the last year, lack of experience with Federal grants or project activities, and frequency and level of technical assistance required by the recipient/subrecipient to carry out activities. The following submissions, reports, and reporting systems can be considered, including but not limited to: Consolidated Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs), Quarterly Performance Reports (QPRs), Integrated Disbursement and Information System (IDIS), Analysis of Impediments to Fair Housing Choice (or an Assessment of Fair Housing), Office of Inspector General (OIG) audits, and other reporting mechanisms and systems. Environmental Compliance, Relocation, and Acquisition Policies Compliance, and Flood Insurance Protection Compliance may be considered. ESG funds may be used for various activities as provided in the ESG-CV Notice, including shelter renovation and shelter operation activities. Each building renovated with ESG

funds must be maintained as a shelter for homeless individuals and families for not less than a period of 3 or 10 years as specified in 24 CFR 576.102(c)(1), unless the only ESG funds used for the renovation were ESG-CV funds (and/or FY2020 or earlier fiscal year ESG funds used in accordance with section IV of the [ESG-CV Notice \(Notice CPD-21-08\)](#)), the shelter meets the “temporary emergency shelter” definition in the ESG-CV Notice, and the building is used and disposed of as provided by 2 CFR 200.311.

The Evaluator should award point values to subfactors A through F. Choose only one risk score for each subfactor from the point values listed below.

<b>FACTOR 1 – GRANT MANAGEMENT</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator’s Rating</b>	<b>Evaluator’s Comments</b>	<b>Auto-populated? Yes/No</b>
<b>A. Recipient Reporting</b> Criteria: Risk is based on the recipient meeting deadlines while ensuring completeness and accuracy of information contained therein and considering the last three years for ESG.					Yes
i. Two or more of recipient’s required QPR submissions were untimely received after prescribed timeframe.	High	8			
ii. At least one of the recipient’s QPR submissions was untimely (received after the prescribed timeframe).	Medium	4			
iii. All recipient’s required QPR submissions are complete AND have been received by the Field Office within prescribed timeframes.	Low	0			
<b>B. Recipient Staff Capacity</b> Criteria: Risk is based on the current staff’s ability to ensure compliance with the regulations and fulfill all of the recipient’s obligations under the program (includes financial staff that may be separate from administrative) and the number of Subrecipients. (Key staff is defined as staff with assigned management and administrative responsibilities for program compliance with ESG-CV requirements.					No
i. During the last three program years, key staff has demonstrated an inability to administer ESG or ESG-CV program as evidenced through serious or numerous violations of regulations, recurring monitoring finding(s), or failure to resolve open findings, timely, or poor performance that is ongoing that the recipient has failed to improve within a reasonable time period; OR one or more vacancies for key ESG staff have existed for more than six months.	High	8			
ii. Although the key staff has not demonstrated an inability to administer the ESG-CV program as specified in (i) above, one or	Medium	6			

more vacancies for key staff have existed for the past three to six months; OR key program staff have been hired in the past two program years but lack the necessary experience and have not received program training.					
iii. No program deficiencies have been identified as evidenced through violations or findings or poor performance, AND any key staff vacancies have existed for less than three months AND any key staff hired in the past program year have received or do not need program training.	Low	0			
<b>C. Program Complexity</b> Criteria: Risk based on recipient's ability to administer complex program activities, as measured by overseeing multiple subrecipients.					Yes
i. Recipient funds and oversees more than 20 subrecipients	High	8			
ii. Recipient funds and oversees 10 – 20 subrecipients.	Medium	6			
iii. Recipient funds and oversees less than 10 subrecipients.	Low	0			
<b>D. Recipient Findings and Sanctions (Monitoring and OIG)</b> Criteria: Risk is based on OIG audits and the monitoring of the recipient's program by HUD to ensure compliance with program requirements.					No
i. The recipient has received two or more findings that are still open, overdue, and unresolved; OR sanctions have been imposed on the recipient; OR the recipient has not been monitored within the last three years.	High	9			
ii. Within the last two years, the recipient has one finding that is still open and unresolved; OR has had sanctions imposed that have subsequently been removed.	Medium	6			
iii. Within the last two years, the recipient has been monitored, or there has been an OIG audit, and there have been no findings identified.	Low	0			
<b>E. Physical Condition of Emergency Shelters</b> Criteria: Risk is based on the recipient's use of ESG funds for renovation or shelter operations and the related emergency shelter's physical condition.					Yes
i. HUD has not conducted a review of the physical conditions of any ESG-funded emergency shelter within the past three program years; OR previous monitoring findings (on-site or remote) concerning the physical condition of ESG-funded emergency shelters remain unresolved.	High	7			

ii. HUD conducted a review of the physical conditions of an ESG-funded emergency shelter within the past three program years, but not during the last two program years.	Medium	4			
iii. HUD has conducted an on-site review of the physical conditions of ESG-funded emergency shelters during the last two program years; AND there were no findings relating to shelter standards; OR recipient did not use ESG funds for renovation or shelter operations.	Low	0			
<b>Subtotal for Grant Management Assessment (Max. 40 pts.)</b>	Subtotal				

## FACTOR 2 – FINANCIAL MANAGEMENT

**Factor Definition:** Extent to which the recipient accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

**Rating Considerations:** The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to, financial management and information systems such as: Integrated Disbursement and Information System (IDIS), audit management systems, audits required by 2 CFR 200.501, assessment of recipient’s drawdown history, submission of required documents, timeliness standards and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems and recipient performance reports.

The Evaluator should award point values to subfactors A through E. Choose only one risk score for each subfactor from the point values listed below.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
<b>A. Staff Capacity for Financial Compliance</b> Criteria: Risk is based on the key financial management staff’s ability to administer the financial management responsibilities for ESG and ESG-CV program. (Key financial management staff is defined as staff with direct oversight of financial records and/or distribution of program funds.)					No
i. During the last three program years, one or more violations, findings, or concerns have been identified with respect to the recipient’s compliance with 2 CFR part 200; OR one or more vacancies for key financial management staff of ESG programs have existed for more than six months.	High	10			

ii. Although no violations, findings, or concerns have been identified with the recipient's compliance with 2 CFR part 200 have been identified as specified in (i) above, one or more vacancies for key financial management staff have existed for the past three to six months; OR key financial management staff have been hired in the past program year and have not received ESG financial management training.	Medium	5			
iii. No financial management deficiencies have been identified as evidenced through violations, findings, or concerns, AND any key financial management staff vacancies have existed for less than three months AND any key staff hired in the past program year has received ESG financial management training.	Low	0			
<b>B. Grant Amount</b> Criteria: Risk is based upon the recipient's grant amount for the most recently completed program year.					Yes
i. The recipient's ESG-CV grant amount falls within the top 10% of all ESG-CV grants awarded within the Field Office's jurisdiction.	High	5			
ii. The recipient's ESG-CV grant amount falls between 50-90% of all ESG-CV grants awarded within the Field Office's jurisdiction.	Medium	3			
iii. The recipient's ESG-CV grant amount falls within the lowest 50% of all ESG-CV grants awarded within the Field Office's jurisdiction.	Low	0			
<b>C. Program Administration Cap</b> Criteria: Risk is based on the recipient's ability to not exceed the administrative activities cap.					Yes
i. The recipient's expenditures under its ESG-CV grant for administrative activities exceed the cap of 10% for ESG-CV grant.	High	5			
ii. The recipient has not exceeded the administrative activities cap for its ESG-CV grant as indicated above, however, the recipient has exceeded the administrative activities cap (7.5% of each grant) for annual ESG grants) one or more times within the last three program years.	Medium	3			
iii. The recipient has not exceeded the 10% administrative activities cap for its ESG-CV grant has not exceeded the administrative activities cap of 7.5% for its annual ESG grants during the three most recently completed program years.	Low	0			

<b>D. Expenditure Provisions</b> Criteria: Risk is based on the recipient meeting the ESG and ESG-CV expenditure deadlines within the last three years.					Yes
i. The recipient did not meet the 9/30/2021 deadline for expending 20% of its ESG-CV grant.	High	10			
ii. The recipient met the 9/30/21 deadline for expending 20% of its ESG-CV grant but failed to meet the 24-month expenditure deadline for its annual ESG grants at least once within the last three years.	Medium	5			
iii. Over the last three years, the recipient has not demonstrated any problem with meeting any expenditure deadlines for either its ESG-CV grant or its annual ESG grants.	Low	0			
<b>E. Recipient Audits required by 2 CFR 200.501</b> Criteria: Assessment is based on the timely submission of audits required under 2 CFR 200.501 for recipients of federal funds that are in excess of \$750,000 or more during the non-Federal entity's fiscal year in Federal awards, but special emphasis is placed on the review of the management letter that should accompany the audit, taking into consideration whether or not the recipient has received a finding and/or the auditor noted recommendations in a management letter based on its current accounting practices. Audits deadlines are specified in 2 CFR 200.507(c)(1) (for program-specific audits) and 2 CFR 200.512(a)(1) (for single audits).					No
i. During the last three program years, the recipient has not been timely in its submission of the audits required under 2 CFR 200.501; OR has received a finding and/or has received recommendations in a management letter based on its current accounting practices.	High	5			
ii. None of the criteria in subfactor (i) applies.	Low	0			
<b>Subtotal for Financial Management Assessment (Max. 35 pts.)</b>	Subtotal				

### FACTOR 3 – SERVICES & SATISFACTION

**Factor Definition:** Extent to which program participants express satisfaction or dissatisfaction with the delivery of program services and the extent to which HUD recipients effectively and efficiently deliver services to intended beneficiaries/program participants.

**Rating Considerations:** The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to: client- or citizen-originated correspondence, recipient responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of recipient support, failure to reply or submit reports, Consolidated Plans, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs), automated tracking systems, correspondence, the release of funds requests, local-, HQ-, or recipient-generated automated reports or spreadsheets, and the Integrated Disbursement and Information System (IDIS). The Evaluator should consider the recipient’s overall effectiveness in carrying out program activities and delivery to target populations.

The Evaluator should award point values to subfactors A through E. Choose only one risk score for each subfactor from the point values listed below.

<b>FACTOR 3 – SERVICES &amp; SATISFACTION</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator’s Rating</b>	<b>Evaluator’s Comments</b>	<b>Auto-populated? Yes/No</b>
<b>A. Recipient Citizen Complaints or Negative Media Exposure</b> Criteria: Risk is based on the receipt of citizen complaints and/or negative media exposure resulting in violations of ESG regulations.					No
i. In the last three years, the recipient has had negative local political issues, media exposure, or citizen complaints.	High	8			
ii. In the last three years, the recipient has had no negative local political issues or media exposure, but citizen complaints have been received that are concerns and could lead to possible future violations if not addressed by the recipient.	Medium	5			
iii. In the last three years, no negative local political issues, media exposure, or valid complaints have been received	Low	0			
<b>B. Recipient Responsiveness</b> Criteria: Risk is based upon the recipient’s timely response to citizen complaints received.					No
i. Recipient has failed to respond to complaints and/or citizen inquiries forwarded through HUD within prescribed timeframes during the last three program years.	High	5			
ii. Recipient has responded to complaints and/or citizen inquiries OR has not received any complaints forwarded through HUD within prescribed timeframes.	Low	0			

<b>C. Homelessness Prevention</b> Criteria: Risk is based on the classification of Homelessness Prevention activities and the recipient's ability to carry out activities in compliance with program requirements.					Yes
i. Homelessness Prevention activity costs exceeded 50 % of the annual allocation.	High	6			
ii. Homelessness Prevention activities exceeded 30 % of the allocation but did not exceed 50 % of the allocation.	Medium	4			
iii. Homelessness Prevention activities are classified properly and are limited to no more than 30 % of the annual allocation.	Low	0			
<b>D. Street Outreach and Emergency Shelter</b> Criteria: Risk is based on the recipient's ability to carry out Street Outreach and/or Emergency Shelter activities in compliance with program requirements.					Yes
i. Activity costs exceed 60 % of annual allocation.	High	6			
ii. Activity costs are less than 60 % of annual allocation.	Low	0			
<b>Subtotal for Services and Satisfaction (Max. 25 pts.)</b>	Subtotal				

**Overall Risk Assessment – Total Score**

<b>FACTOR</b>	<b>MAXIMUM SCORE</b>	<b>POINTS ASSIGNED</b>
1. Grant Management	40	
2. Financial Management	35	
3. Services & Satisfaction	25	
<b>Total</b>	<b>100</b>	

**Part II - To be completed by Management Representative(s):**

Subtotal from Part I Risk Assessment	
Adjustment by Exception (note type: A, B, C, D, X)	



**Exceptions:**

- A. The Office of Inspector General is currently conducting an audit of the high-risk recipient or high-risk program(s).
- B. High-risk recipient or high-risk program(s) were monitored within the last two years.
- C. Recipient will be provided technical assistance or training in the current Fiscal Year.
- D. Discretionary Monitoring.
- X. Other.

**CPD Management Representative(s)** \_\_\_\_\_ **Date:** \_\_\_\_\_

Attachment A-9

**Recovery Housing Program (RHP)  
Formula Risk Analysis Worksheet**

**Part I – To Be Completed by CPD Evaluator**

**Name of Grantee:** \_\_\_\_\_ **Fiscal Year Review:** \_\_\_\_\_

**Name of HUD Evaluator:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department
- Identify grantees to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the grantee, using three of the four standard factors selected by the Department to determine the level of risk a grantee may pose to a HUD program. These factors include Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the information available on this grantee. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The evaluator may accept these auto-populated fields or edit as appropriate.

**FACTOR 1 – GRANT MANAGEMENT**

**Factor Definition:** Extent to which the program participant has the capacity to carry out HUD programs according to established requirements.

**Rating Considerations:** The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills, and ability of program staff, and the grantee's administrative capacity to manage the grant, including: the grantee's ability to provide timely reports that are complete and accurate; the complexity of the grantee's program; the grantee's management of its subrecipients; open and unresolved findings; or problems such as open or stalled activities, staff turnover, lack of experience with Federal grants or project activities, and program

workload. The following reports and reporting systems should be considered, including but not limited to: The following reports and reporting systems should be considered, including but not limited to: Action Plans, Performance Reports (PRs), Technical Assistance (TA) Plans, Disaster Recovery Grant Reporting (DRGR), Office of Inspector General (OIG) audits, Analysis of Impediments to Fair Housing Choice (or an Assessment of Fair Housing), HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.5, and related reporting mechanisms and systems.

The Evaluator should award point values to subfactors B and G. Choose only one risk score for these three subfactors from the point values listed below and enter the associated comment(s). The remaining scores and comments for the remaining subfactors are auto-populated from DRGR data.

<b>FACTOR 1 – GRANT MANAGEMENT</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator’s Rating</b>	<b>Evaluator’s Comments</b>	<b>Auto-populated? Yes/No</b>
<b>1. A. Grantee Reporting</b> How would you rate the grantee's overall reporting quality and responsiveness? Risk is based on the grantee meeting report deadlines with primary consideration given to quality, completeness, and accuracy of the information contained in the Action Plan and Annual Performance Report (PR). This score is auto-populated from DRGR data.					Yes
i. The grantee has not been timely in submitting at least two reports within the last three years; OR at least two reports have not been complete and/or accurate.	High	6			
ii. The grantee has submitted at least one report within the last three years that has not been complete, timely, and/or accurate.	Medium	4			
iii. Within the last three years, the grantee has been timely with submitting its reports, and they have been complete and accurate.	Low	0			
<b>1. B. Staff Capacity</b> Do staffing issues negatively impact the grantee's ability to carry out programs? Risk is based on current grantee staff capacity and its ability to ensure compliance with RHP requirements, including applicable CDBG regulations, grantee obligations, and to design a program appropriate to the level of its capacity. This score is manually selected.					No
i. During the last three program years, the grantee has experienced turnover in at least one key position within its program administration, AND the grantee has designed a program more complex than the current capacity and programmatic knowledge of its staff.	High	6			
ii. During the last three program years, the grantee has experienced turnover in at least one key position within its	Medium	4			

program administration, OR the grantee has designed a program that is more complex than the current capacity and programmatic knowledge of its staff.					
iii. The grantee has not experienced turnover in at least one key position of its program administration and has designed a program that is comparable to the current staff's capacity and programmatic knowledge.	Low	0			
<b>1. C. Grantee Program Complexity</b> Risk is based on the complexity of the grantee's program design, primarily the number and variety of activities the grantee is undertaking, and whether these are new to its program and may pose a challenge to the grantee's staff in compliance and reporting. The grantee's application intake and complexity should also be considered. This score is auto-populated from DRGR data.					Yes
i. The grantee has designed a program that implements five or more different types of activities	High	6			
ii. The above condition does not exist.	Low	0			
<b>1. D. Management of Subrecipients</b> Risk is based on the small-dollar activities that are managed by subrecipients or State recipients, including units of general local government. This score is auto-populated from DRGR data.					Yes
i. The grantee has 10 different subrecipients OR a subrecipient manages less than \$50,000.	High	6			
ii. The above condition doesn't exist.	Low	0			
<b>1. E. At-Risk Flagged Activities in DRGR</b> Risk is based on the number of activities flagged as at-risk in DRGR (see <a href="https://files.hudexchange.info/resources/documents/DRGR-Flag-Guidance.pdf">https://files.hudexchange.info/resources/documents/DRGR-Flag-Guidance.pdf</a> for more information). This score is auto-populated from DRGR data.					Yes
i. The grantee has three or more activities flagged as at-risk in DRGR.	High	6			
ii. The grantee has less than three activities flagged as at-risk in DRGR.	Low	0			
<b>1. F. Activity Accomplishments</b> Risk is based on the number of activities open for two or more years, but no accomplishments are reported. This score is auto-populated from DRGR data.					Yes

i. The grantee has not reported any activity accomplishments in two or more years.	High	6			
ii. The grantee has reported accomplishments within the last two years.	Low	0			
<b>1. G. Prior Monitoring and Audit Findings</b> In considering all monitoring reviews and audits (i.e., OIG, etc. but no single audit) performed on the grantee during the period being assessed, how would you rate the overall severity of findings and issues? Risk is based on OIG audits and the monitoring of the grantee's program by HUD to ensure compliance with program requirements; the grantee's past performance regarding the number of open, overdue, and unresolved findings; OR sanctions have been imposed; OR the grantee has not been monitored within the last three years. This score is manually selected.					No
i. Within the last three years, the grantee has: 1) Received two or more findings that are still open, overdue, and unresolved; OR 2) A repeated finding on the same violation; OR 3) Received a monitoring finding regarding cross-cutting programmatic requirements (Relocation, Environmental, Davis-Bacon, FHEO, etc.); OR 4) Sanctions that have been imposed; OR 5) Not been monitored.	High	6			
ii. Within the last three years, the grantee has received one finding (not including an open finding regarding cross-cutting requirements) that is still open, overdue, and unresolved; OR has had imposed sanctions removed.	Medium	4			
iii. None of the above conditions exist.	Low	0			
<b>Subtotal for Grant Management Assessment (Max. 42 pts.)</b>	Subtotal				

## FACTOR 2 – FINANCIAL MANAGEMENT:

**Factor Definition:** The extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

**Rating Considerations:** The basis for the Evaluator's rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: DRGR, audit management systems, Single audits, findings that require repayment or grant reduction, program income, the operation of Revolving Loan Funds (RLFs), Section 108 Loan Guarantees, grantee's financial records, timeliness standards, and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and grantee performance reports. The Evaluator should award a

point value to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment. The remaining scores and comments for the remaining subfactors are auto-populated from DRGR data.

<b>FACTOR 2 – FINANCIAL MANAGEMENT</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator's Rating</b>	<b>Evaluator's Comments</b>	<b>Auto-populated? Yes/No</b>
<p><b>2. A. Grantee Audits required by 2 CFR 200.501</b>            How would you rate the grantee's audit submissions? Criteria: Assessment is based on the timely submission of audits required under 2 CFR 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal award, but special emphasis is placed on the review of the management letter that should accompany the audit, taking into consideration whether the grantee has received a finding and/or the auditor noted recommendations in a management letter based on its current accounting practices. Audits deadlines are specified in 2 CFR 200.507(c)(1) (for program-specific audits) and 2 CFR 200.512(a)(1) (for single audits). This score is manually selected.</p>					No
i. During the last three program years, the grantee has not been timely in its submission of audits required under 2 CFR 200.501; OR has received a finding and/or has received recommendations in a management letter based on its current accounting practices.	High	6			
ii. None of the criteria in subfactor (i) applies.	Low	0			
<p><b>2. B. Administration Cost Cap</b>            Risk is based on the violation of the Administration cap, which is automatically flagged in DRGR. This score is auto-populated from DRGR data.</p>					Yes
i. The grantee's activity funding or expenditures has exceeded the program administration cap of 5 percent.	High	6			
ii. The grantee has not exceeded the program administration cap of 5 percent.	Medium	0			
<p><b>2. C. Technical Assistance Expenditures</b>            Risk is based on the violation of the Technical Assistance cap, which is automatically flagged in DRGR. This score is auto-populated from DRGR data.</p>					Yes
i. The grantee's activity funding or expenditures has exceeded the technical assistance cap of 3 percent.	High	6			

ii. The grantee has not exceeded the technical assistance cap of 3 percent.	Low	0			
<b>2. D. Grant Expenditures</b> Risk is based on the grantee reaching its 30 percent grant expenditure requirement within the first year. This score is auto-populated from DRGR data.					Yes
i. The grantee did not meet its 30 percent grant expenditure requirement within the first year.	High	6			
ii. The grantee met its 30 percent grant expenditure requirement within the first year for each grant award, or the grantee's first year has not been completed.	Low	0			
<b>2. E. Grant Expenditure Rate</b> Risk is based on the grantee's rate of expenditures to expend 100% of its grant award(s) within the period of performance (six years for each grant). This score is auto-populated from DRGR data.					Yes
i. The grantee is not on pace to expend the entire grant before the end of the period of performance (PoP). This criterion is first measured in the 4th year of the PoP.	High	6			
ii. The grantee is on track to expend 100 percent of its grant award(s) within the period of performance, OR the grantee does not have any RHP awards in their 4 <sup>th</sup> year or later of the PoP.	Low	0			
<b>2. F. Voucher Revisions</b> Does the grantee have numerous or large voucher revisions in DRGR? Frequent means having at least one revision each year for five years. "Numerous" means having 20 revisions or more. "Large" means total revisions of \$500,000 or more. This score is auto-populated from DRGR data.					Yes
i. The grantee has voucher revisions totaling over \$500,000 in the last five years; or has 20 or more draw revisions for any year in the last five years.	High	8			
ii. The grantee did not revise a draw in the past five years.	Low	0			
<b>2. G. Grantee Program Income</b> Gross program income received by the grantee, State recipient(s), or subrecipient(s) generated by the use of RHP funds. This score is auto-populated from DRGR data.					Yes
i. The grantee, State recipient(s), or its subrecipient(s) received \$250,000 or greater.	High	8			

ii. The grantee, State recipient(s), or its subrecipient(s) received less than \$250,000.	Low	0			
<b>Subtotal for Financial Management Assessment (Max. 46 pts.)</b>	Subtotal				

### FACTOR 3 – SERVICES & SATISFACTION

**Factor Definition:** Extent to which HUD program participants deliver a program that is compliant and clients express satisfaction or dissatisfaction with the delivery of program services.

**Rating Considerations:** The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, grantee responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of community support, failure to reply or submit reports, Action Plans, Performance Reports (PRs), and auto-populated tracking systems. The Evaluator should award a point value to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment.

<b>FACTOR 3 – SERVICES &amp; SATISFACTION</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator’s Rating</b>	<b>Evaluator’s Comments</b>	<b>Auto-populated? Yes/No</b>
<b>3. A. Grantee Citizen Complaints / Negative Media Exposure</b> Do local political issues, media exposure, or citizen complaints negatively impact the grantee's ability to meet program objectives? Does the grantee respond timely to citizen complaints and inquiries? Risk is based on negative media or other politically-charged issues involving RHP funding, significant negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders AND the grantee's ability to respond to these issues timely and effectively. This score is manually selected.					No
i. In the last 3 years, the grantee has significant negative local political issues, media exposure, or citizen complaints related to its RHP program AND has not responded timely or effectively to these issues or complaints.	High	12			
ii. In the last 3 years, the grantee has moderate negative local political issues, media exposure, or citizen complaints related to its RHP program OR has not responded timely or effectively to issues or complaints.	Medium	6			



iii. In the last 3 years, the grantee has not had any negative local political issues, media exposure, or citizen complaints related to its RHP program.	Low	0			
<b>Subtotal for Services and Satisfaction (Max. 12 pts.)</b>	Subtotal				

**Overall Risk Assessment – Total Score**

<b>FACTOR</b>	<b>MAXIMUM SCORE</b>	<b>POINTS ASSIGNED</b>
1. Grant Management	42	
2. Financial Management	46	
3. Services & Satisfaction	12	
Total	100	

**Part II - To be completed by Management Representative(s):**

Subtotal from Part I Risk Assessment	
Adjustment by Exception (note type: A, B, C, D, X)	

**Exceptions:**

- A. The Office of Inspector General is currently conducting an audit of the high-risk grantee or high-risk program(s).
- B. High-risk grantee and/or high-risk program(s) were monitored within the last two years
- C. Grantee will be provided technical assistance or training in the current Fiscal Year.
- D. Discretionary Monitoring.
- X. Other.

**CPD Management Representative(s)** \_\_\_\_\_ **Date:** \_\_\_\_\_

Attachment A-10

**Continuum of Care (CoC) Program  
Section 8 Moderate Rehabilitation Single Room Occupancy (SRO)  
Competitive Grants Risk Analysis Worksheet**

**Part I – To Be Completed by CPD Evaluator**

**Name of Grantee:** \_\_\_\_\_ **Fiscal Year Review:** \_\_\_\_\_

**Name of HUD Evaluator:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a program participant has failed to comply with program requirements; or
- The participant has performed unacceptably

Recipient/Recipient Risk is assessed to:

- Determine Recipient/recipients that pose the highest risk to the Department
- Identify Recipient/recipients to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase recipient effectiveness

If a recipient has been awarded funds under more than one HUD competitive program (Continuum of Care (CoC) Program or Section 8 Single Room Occupancy Moderate Rehabilitation (SRO)), a separate worksheet should be completed for each competitive program carried out by the recipient. In this scenario, separate worksheets must be completed, one for each of the HUD programs. If a recipient has multiple grants under one HUD program, use one worksheet per HUD program only. This worksheet has been designed for evaluating CPD's competitive programs. Although factors and subfactors are consistent for all competitive programs, rating criteria may differ in some cases for recipients.

In completing this worksheet, the Evaluator should consider the total number of all active grants funded under each program. The Evaluator will provide an assessment of the recipient, using four standard factors selected by the Department to determine the level of risk a recipient may pose to a HUD program. The four factors include: Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of one or more subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. You are to choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the factual information available on this recipient. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. Assessment indicators used in evaluating criteria should be available through current reporting systems or readily available information.

**FACTOR 1 – GRANT MANAGEMENT**

**Factor Definition:** Extent to which the program participant has the capacity to carry out HUD competitive programs according to established requirements.

**Rating Considerations:** The basis for the Evaluator’s rating under this factor is derived from sources including, but not limited to, consideration of the knowledge, skills, and ability of program staff, and the recipient’s administrative capacity to manage the grant, including: the eligibility of activities and recipients; or problems such as the lack of progress in implementing a project; rapid staff and/or board turnover; major changes in the agency’s mission or direction; lack of experience with Federal grants or project activities; and the frequency and level of technical assistance required by the recipient before and during a project. Additionally, Office of Inspector General (OIG) audits, Analysis of Impediments to Fair Housing Choice, (or an Assessment of Fair Housing), HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.15, and related reporting systems such as IDIS, e-SNAPS, and LOCCS may be considered. The Evaluator should consider any existing or previously identified problems with the physical assets and the extent to which problems have been or are likely to be corrected; whether HUD funds are used for acquisition, construction, or rehabilitation activities; the number of sites at which HUD-funded physical assets are located and the activities supported by the physical asset and the extent of any previous monitoring.

The Evaluator should award point values to subfactors A through E. Choose only one risk score for each subfactor from the point values listed below.

<b><u>FACTOR 1 – GRANT MANAGEMENT</u></b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator’s Rating</b>	<b>Evaluator’s Comments</b>	<b>Auto-populated? Yes/No</b>
<b>A. Recipient Reporting (CoC Program)</b> Criteria: Risk is based on the recipient meeting report deadline for recipient’s annual performance reports considering the last three grant years.					Yes
i. Recipient submitted a report that is untimely (submitted after the due date) AND was inaccurate OR incomplete (due to errors).	High	8			
ii. Recipient submitted a report that was untimely (submitted after the due date) OR was inaccurate OR incomplete (due to errors).	Medium	5			
iii. Recipient submitted a report that was timely (submitted by the due date) AND was accurate AND complete.	Low	0			
<b>B. Program Complexity (CoC Program)</b> Criteria: Risk is based on recipient’s ability to administer complex program activities, as measured by overseeing multiple subrecipients (considering the last three grant years).					Yes
i. Recipient funds and oversees four or more subrecipients.	High	12			

ii. Recipient funds and oversees one to three subrecipients.	Medium	8			
iii. Recipient funds and oversees no subrecipients.	Low	0			
<b>C. Recipient Staff Capacity (CoC Program and SRO)</b> <u>Criteria:</u> Risk is based on current staff capacity of the recipient, in regard to, its ability to ensure programmatic compliance with the regulations and fulfill all of its obligations as a recipient (considering the last three grant years).					No
i. Recipient has the following: (a) is designated as a Unified Funding Agency, (CoC Program only), OR (b) the recipient has experienced turnover in at least one key position of its program administration, and the program design is more complex than the current staff's programmatic knowledge.	High	10			
ii. Key recipient staff responsible for program administration has been newly hired.	Medium	7			
iii. Recipient has not experienced turnover in at least one key position of its program administration AND has designed a program that is comparable to the current staff's capacity and programmatic knowledge.	Low	0			
<b>D. Recipient Findings and Sanctions (CoC Program and SRO)</b> <u>Criteria:</u> Risk is based on the monitoring of the recipient's program by HUD to ensure the recipient is meeting program objectives and is compliant with program requirements considering the last three program years.					No
i. Recipient has two or more open findings; OR sanctions have been imposed; OR HUD has not conducted a monitoring of the competitive program within the last three years.	High	12			
ii. Recipient has one open finding from monitoring conducted within the last three years.	Medium	8			
iii. Recipient has been monitored within the last three years, or there has been an OIG audit within the last three years, and there have been no findings identified.	Low	0			

<b>E. Physical Assets (CoC Programs)</b> Criteria: Risk is based on the recipient’s award for the use of leasing and/or rental assistance.					Yes
i. Recipient’s total program funds for leasing and/or rental assistance exceeds \$400,000.	High	6			
ii. Recipient’s total program funds for leasing and/or rental assistance is less than \$400,000	Low	0			
<b>Subtotal for Grant Management Assessment (Max. 48 pts.)</b>	Subtotal				

**FACTOR 2 – FINANCIAL MANAGEMENT**

**Factor Definition:** Extent to which the recipient accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department. The recipient upholds generally accepted conflict of interest policies.

**Rating Considerations:** The basis for the Evaluator’s rating under this factor is derived from information that could be obtained from, but not limited to, financial management under applications submitted in response to NOFAs, approved or amended grant/recipient agreements, audit management systems, assessment of recipient’s drawdown history (i.e., IDIS/LOCCS/PAS), the submission of required documents, timeliness standards and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, recipient performance reports and any on-site or remote monitoring information as available.

The Evaluator should award point values to Subfactors A through C. Choose only one risk score for each subfactor from the point values listed below.

<b>FACTOR 2 – FINANCIAL MANAGEMENT</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator’s Rating</b>	<b>Evaluator’s Comments</b>	<b>Auto-populated? Yes/No</b>
<b><u>A. Slow Spender/Timely Expenditures (CoC Programs)</u></b> Criteria: Risk is based upon the terms and conditions for timely expenditures for the competitive program(s) being assessed can be referenced by the program’s grant/recipient agreement and/or operating instructions for that program. Timely expenditure of funds means funds are spent in proportion to the timeliness standards found in the NOFA for the year the grant was funded, the grant agreement, or in the program regulations.					Yes
i. Recipient’s draws from eLOCCS were after the required quarterly deadline and/or 90 days after grant expiration in accordance with the recipient agreement for that program.	High	10			

ii. Recipient's draws from eLOCCS were by the required quarterly deadline and/or 90 days after grant expiration in accordance with the recipient agreement for that program.	Low	0			
<b><u>B. Recipient Financial Staff Capacity (CoC Programs)</u></b> Criteria: Risk is based on the current financial staff capacity of the recipient to ensure financial practices are compliant with the program regulations as confirmed through financial monitoring (considering the last three grant years).					Yes
i. Recipient received financial monitoring findings in last three grant years OR HUD has not conducted a financial monitoring in the last three years.	High	12			
ii. Recipient received no financial monitoring findings in the last three years.	Low	0			
<b><u>C. Grant Amount (CoC Programs)</u></b> Criteria: Risk is based upon the total amount of the recipient's grant awards, considering the total sum of projects awarded is in the top 10% of program funding for the most recent competition year.					Yes
i. Recipient's grant awards exceed \$1,750,000.	High	10			
ii. Recipient's grant awards are less than \$1,750,000.	Low	0			
<b><u>D. Recipient Audits required by 2 CFR 200.501 (CoC Programs)</u></b> Criteria: Risk is based on the timely submission of audits required under 2 CFR 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal awards, but special emphasis is placed on whether or not the recipient has received a finding or has received recommendations in a management letter based on its current accounting practices. Audit deadlines are specified in 2 CFR 200.507(c)(1) (for program-specific audits) and 2 CFR 200.512(a)(1) (for single audits).					No
i. During the last three program years, the competitive recipient has not been timely in its submission of the audits required under 2 CFR 200.501; OR has received a finding and/or has received a recommendation in a management letter based on its current accounting practices.	High	8			

ii. None of the criteria in subfactor (i) applies.	Low	0			
<b>Subtotal for Financial Management Assessment (Max. 40 pts.)</b>	Subtotal				

**FACTOR 3 – SERVICES & SATISFACTION**

**Factor Definition:** Extent to which recipients effectively and efficiently deliver services to intended beneficiaries/clientele and clients or beneficiaries express satisfaction or dissatisfaction with the delivery of program services.

**Rating Considerations:** The Evaluator should consider the planned program support and how it is appropriately being carried out to address the intended range of housing needs and related supportive services issues, including any specialized efforts for sub-populations of homeless program participants in serving the proposed number of participants or moving homeless program participants to permanent housing as well as considering information that could be obtained from, but not limited to: Freedom of Information Act (FOIA) requests, applicable NOFAs, approved grant amendment requests, annual performance plans, correspondence, release of funds requests, local-, HQ-, or recipient-generated automated reports or spreadsheets, correspondence or other communication to HUD, the recipient’s or other parties with respect to the project and any written or other responses by the recipient, any recent problems, such as citizen complaints, newspaper articles, internet postings, Congressional inquiries, and other forms of correspondence, the recipient/project sponsor’s/subrecipient’s response/failure to submit reports or respond to inquiries, and the loss of community support. The Evaluator should also include other functional issues related to carrying out and impacting on overall program activities, which include environmental and wage requirements, flood insurance protection compliance as well as compliance with relocation and acquisition policies.

The Evaluator should award point values for Subfactors A through D. Choose only one risk score for each subfactor from the point values listed below.

<b>FACTOR 3 – SERVICES &amp; SATISFACTION</b>	<b>Risk Category</b>	<b>Risk Score</b>	<b>Evaluator’s Rating</b>	<b>Evaluator’s Comments</b>	<b>Auto-populated? Yes/No</b>
<b>A. Recipient Citizen Complaints or Negative Media Exposure (CoC Program and SRO)</b> Criteria: Risk is based on negative local political issues, media exposure, and citizen complaints received through such sources as program participants, citizen letters, phone calls, hotline complaints, newspaper articles, internet postings, emails, etc., and the recipient					No
i. In the last three years, the recipient has had negative local political issues, media exposure, or citizen complaints related to the program.	High	12			
ii. In the last three years, the recipient has had no negative local political issues or media exposure, but citizen complaints have been received that are concerns and could lead to possible future violations if not addressed by the recipient.	Medium	6			

iii. In the last three years, no negative local political issues, media exposure, or valid complaints have been received.	Low	0			
<b>B. Recipient Responsiveness (CoC Program and SRO)</b> Criteria: Risk is based upon Recipient’s timely response to citizen complaints received (considering the last 3 grant years).					No
i. Recipient has failed to respond to complaints and/or citizen inquiries forwarded through HUD.	High	6			
ii. Recipient has not received any complaints forwarded through HUD.	Low	0			
<b>Subtotal for Services and Satisfaction (Max. 12 pts.)</b>	Subtotal				

**Overall Risk Assessment – Total Score**

<b>FACTOR</b>	<b>MAXIMUM SCORE</b>	<b>POINTS ASSIGNED</b>
1. Grant Management	48	
2. Financial Management	40	
3. Services & Satisfaction	12	
<b>Total</b>	<b>100</b>	

**Part II - To be completed by Management Representative(s):**

Subtotal from Part I Risk Assessment	
Adjustment by Exception (note type: A, B, C, D, X)	

**Exceptions:**

- A. The Office of Inspector General is currently conducting an audit of the high-risk recipient or high-risk program(s).
- B. High-risk grantee and/or high-risk program(s) were monitored within the last two years.
- C. Recipient will be provided technical assistance or training in the current Fiscal Year.
- D. Discretionary Monitoring.
- X. Other.

CPD Management Representative(s) \_\_\_\_\_ Date: \_\_\_\_\_



Attachment C-1

## Formula Composite Summary Worksheet

Grantee	CDBG	CDBG-DR	NSP-1	NSP-3	HOME	ESG	HOPWA	RHP	CDBG-CV	HOPWA-CV	ESG-CV	Total Score	Average Score	Rank	Exception Code	Exception Comments	Mgmt. Rep. Initials

### Key to Formula Programs

Acronym	Program
CDBG	Community Development Block Grant Program
CDBG-DR	Community Development Block Grant Program Disaster Recovery
NSP-1, NSP-3	Neighborhood Stabilization Program (1 & 3)
HOME	Home Investment Partnerships Program
ESG	Emergency Solutions Grants Program
HOPWA	Housing Opportunities for Persons With AIDS
RHP	Recovery Housing Program
CDBG-CV	Community Development Block Grant Program - CARES ACT
HOPWA-CV	Housing Opportunity for Persons With AIDS- CARES ACT
ESG-CV	Emergency Solutions Grants Program – CARES ACT

Attachment C-2

## Competitive Composite Summary Worksheet

Grantee	NSP-2	HOPWA-C	HOPWA-C-CV	SRO	CoC	Total	Average Score	Rank	Exception Code	Exception Comments	Mgmt. Rep. Initials

### Key to Competitive Programs

<u>Acronym</u>	<u>Program</u>
NSP-2	Neighborhood Stabilization Program 2
HOPWA Competitive	Housing Opportunities for Persons with AIDS - Competitive
HOPWA CARES Act Competitive	Housing Opportunities for Persons with AIDS CARES Act - Competitive
SRO	Section 8 Single Room Occupancy Moderate Rehabilitation
CoC	Continuum of Care Program

## Attachment D-1

## Formula Exception Report

(Use codes A, B, C, D, or X as appropriate, justification for code X must be provided.)

Grantee Name	Risk Ranking	Exception Code	Reason for Exception
Grantee T	2	A	See Section VI, Step 2 of Notice
Grantee W	6	X	Two grant programs were assessed high-risk, but only one was monitored within the last two years.
Grantee Z	4	B	See Section VI, Step 2 of Notice

## Attachment D-2

## Competitive Exception Report

(Use codes A, B, C, D, or X as appropriate, justification for code X must be provided.)

Grantee Name	Risk Ranking	Exception Code	Reason for Exception
Grantee H	2	A	See Section VI, Step 2 of Notice
Grantee U	6	X	Grantee was monitored in 2013. The field office will provide TA and clear open findings.
Grantee D	4	B	See Section VI, Step 2 of Notice