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| **Guide for Review of HOPWA Cost Allowability** | | | |
| **Name of Grantee:** | | | |
| **Staff Consulted:** | | | |
| **Program Year Under Review:** | | | |
| **Name(s) of Reviewer(s)** |  | **Date** |  |

**NOTE:** All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance. All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the reviewer in understanding the participant's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a **"finding.**"

**Instructions: T**his Exhibit is designed to review the HOPWA grantee’s allocation of costs for compliance with OMB Circular A-87 and 24 CFR 85.22 (for state and local governments), or OMB Circular A-122 and 24 CFR 84.27 (for nonprofits) when 2 CFR part 200 does not apply, as explained below. The sampling procedures in Section 10-5 of the Chapter 10 introductory text should be followed in selecting cost items to review. Use the grantee’s listing of applicable cost items supported with HOPWA funds during the operating year under review as a basis for the sample selection.

**NOTE:** This Exhibit is to be usedfor HOPWA Activities and Costs Subject to 24 CFR part 84 or 85. It should NOT be used for any grant that is only subject to 2 CFR part 200 requirements. Grants subject only to 2 CFR part 200 must be monitored only in accordance with Exhibit 34-2. The Uniform Requirements at 2 CFR part 200 are applicable to the following HOPWA grants:

* **HOPWA Formula Grants awarded in any year that are subject to HOPWA requirements “as may be amended” are subject to 2 CFR part 200 as of December 26, 2014.** Grantees are required to comply with 2 CFR part 200 as of December 26, 2014, but were required to comply with 24 CFR part 84 or 85 in carrying out activities and incurring costs under their formula award before this effective date. Therefore, formula grants awarded for FY 2014 or earlier are subject to 2 CFR part 200 only for the portion of the operating period on and after December 26, 2014.
* **HOPWA Competitive Grants awarded in FY14 and subsequent years are subject to 2 CFR part 200 as of December 26, 2014.**  HOPWA competitive grants awarded in FY13 and prior are not subject to 2 CFR part 200. HOPWA competitive grants awarded in FY 2013 and earlier remain subject to 24 CFR part 84 or 85 in place at the time of the award in accordance with the terms and conditions of the award.

For additional information on the applicability of 2 CFR part 200 requirements for CPD programs, please reference Notice CPD-16-04, *Additional Transition and Implementation Guidance for Recipients of Community Planning and Development (CPD) Funds for 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, accessed at: <http://portal.hud.gov/hudportal/documents/huddoc?id=16-04cpdn.pdf>.

**Questions:**

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| Does a spot check of a sample of the following items of cost reveal that the following expenditures are necessary and reasonable for proper and efficient administration of the HOPWA program:  [OMB Circular A-87 and 24 CFR 85.22 (for state and local governments); OMB Circular A-122 and 24 CFR 84.27 (for nonprofits)] | |
| a. salaries and related costs? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| b. administrative service contracts (e.g., legal, account, audit, consulting)? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| c. travel expenditures? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| d. other administrative costs? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

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| If any problems were noted in question 1 above, indicate whether they are isolated or systemic in nature. |
| **Describe Basis for Conclusion:** |
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| Does a review of program expenditures indicate the following unallowable costs are not included:  [OMB Circular A-87 and 24 CFR 85.22 (for state and local governments); OMB Circular A-122 and 24 CFR 84.27 (for nonprofits)] | |
| a. entertainment? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| b. contributions and donations? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| c. fines and penalties? (except when incurred as a result of compliance with specific provisions of an award or instructions in writing from the awarding agency) | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| d. general governmental expenditures including salary and expenses of the chief executive officer of the grantee? (Only applicable to states and local governments; OMB Circular A-87.) | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

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| If any problems were noted in question 3 above, indicate whether they are isolated or systemic in nature. |
| **Describe Basis for Conclusion:** |
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| Does a review of program expenditures indicate that no costs related to political activities been charged to the HOPWA program?  [OMB Circular A-87 and 24 CFR 85.22 (for state and local governments); OMB Circular A-122 and 24 CFR 84.27 (for nonprofits)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

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| Does a review of program expenditures indicate that no costs charged to the HOPWA program were included as a cost for another Federally-financed program under the period being reviewed?  [24 CFR 85.22 (for state and local governments); 24 CFR 84.27 (for nonprofits)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

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| If indirect costs are being charged to the HOPWA program by the grantee or a project sponsor that is a governmental unit, are the costs supported by an indirect cost proposal prepared in accordance with OMB Circular A-87?  [24 CFR 85.22] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

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| If indirect costs are charged to the HOPWA program by a project sponsor that is a non-profit organization, are the costs supported by an indirect cost proposal prepared in accordance with OMB Circular A-122?  [24 CFR 84.27] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
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| Does a review of planning and administrative costs for grantees and project sponsors indicate that they been properly classified?  [24 CFR 574.300(b)(10); 24 CFR 84.27 (for nonprofits); and 24 CFR 85.22(for state and local governments)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

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| Does a review of the personnel roster indicate that only staff members being paid with HOPWA funds are working on HOPWA program activities?  [24 CFR 84.27 (for nonprofits); and 24 CFR 85.22 (for state and local governments)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |