|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Guide for Review of Written Agreements** | | | | |
| **Name of Program Participant:** | | **Appropriation(s):** | | |
| **Staff Consulted:** | | | | |
| **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.**" [24 CFR 570.900(b)(3)]

**Instructions:** This Exhibit should be used to verify that States have adequate agreements with recipients. It is divided into three sections: Program Administration, Subrecipient Agreements, and Recipient Agreements. Use this Exhibit to monitor all written agreements executed by a state grantee under the Community Development Block Grant disaster recovery (CDBG-DR) program, in which funds are provided to a subrecipient or recipient. Use Exhibit 3-16, *Guide for Review of Subrecipient/Community-Based Development Organization (CBDO) Management*, to monitor all written agreements executed under a CDBG-DR award provided directly to a unit of general local government.

**Questions:**

A. PROGRAM ADMINISTRATION

1.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Is the program participant a state? If “yes,” proceed to the next question. If “no,” complete Exhibit 3-16 to evaluate all agreements between the program participant and its subgrantees. | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

2.

|  |
| --- |
| Agreements reviewed (list all): |
|  |
|  |

3.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Do any agreements reviewed fall under a program directly administered by the state?  *If “yes,” proceed to Question 4. If “no,” proceed to Question 5.*  Per the *Federal Register* notices issued by the Department, CDBG disaster recovery state program participants are provided a waiver and alternative requirement that allows them to carry out activities directly or through a subrecipient—i.e., a unit of local government, a public or private nonprofit agency, authority, or organization, or a for-profit entity authorized under §570.201(o). Examples of this language can be found at 73 FR 46312, published August 8, 2008 (applicable to 2005 hurricane grants); 73 FR 52870, published September 11, 2008 (applicable to Public Law 110-252 “Midwest Flood” program participants); 74 FR 7244, published February 13, 2009 (applicable to Public Law 110-329 “Hurricane Ike” program participants); and 75 FR 69097, published November 10, 2010 (applicable to Public Law 111-212 program participants).  Programs *are* *directly administered* by a state when:   * The state develops the program guidelines/rules; * HUD releases the funds, the state is the responsible entity for environmental reviews; * A subrecipient applies for funding to undertake activities under the applicable program.   Programs are *not* directly administered by a state when:   * The state uses a method of distribution (MOD) to award funds to local governments; * The state gives flexibility to units of local government to design and implement their own programs; and * The state releases the funds, but local governments are responsible for environmental reviews.   Some program participants may use a combination of the above: they may design a program, but award funds under that program through a MOD. In these cases, program participants may treat these entities as subrecipients, but are not required to do so. Whatever is ultimately chosen, the program participant must be consistent and uniformly apply the chosen requirements to all the applicable entities.  Last, note that 570.501(a) provides that local governments are subject to the same requirements as subrecipients. Thus, interagency or interdepartmental agreements should include the same provisions as required in a subrecipient agreement. | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

B. SUBRECIPIENT AGREEMENTS

4.

|  |  |
| --- | --- |
| Per 24 CFR 570.503, do written agreements contain the following: | |
| a. A *statement of work*, including a description of the work to be performed, a schedule for completing the work, and a budget? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| b. The *records* the subrecipient must maintain and the *reports* the subrecipient must submit? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| c.  *Program income* requirements? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| d. The requirement that the subrecipient must comply with *all Federal laws* and regulations described in subpart K (e.g., affirmatively furthering fair housing, prohibition on discrimination, labor standards, environmental standards)? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| 1. Language indicating that *suspension* or *termination* may occur if the subrecipient materially fails to comply with any term of the award, and that the award may be terminated for convenience? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| 1. *Reversion of assets* provisions? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

5.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| a. Has the program participant retained the environmental responsibilities described at 24 CFR 570.604? (If “no,” why not?) | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| b. Has the program participant retained responsibility for initiating the review process under the provisions of 24 CFR part 52? (If “no,” why not?) | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

C. RECIPIENT AGREEMENTS

When a state uses a method of distribution to give funds to a local government, the unit of general local government is considered a grant recipient.

6.

|  |  |
| --- | --- |
| There are no State CDBG regulations regarding language required in a recipient agreement. However, per the *Guide to National Objectives and Eligible Activities for State CDBG Programs: Attachment I, Model Record-Keeping Requirements*, do the agreements: | |
| 1. State that the recipient will follow Treasury Department drawdown requirements? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| 1. Include payment information and conditions? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| 1. Include governmental requirements? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| 1. Include wage rates to be used (if applicable)? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| 1. Include applicable labor standards provisions? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |