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| --- | --- | --- | --- |
| **Guide for Review of CoC Financial Management and Cost Allowability** | | | |
| **Name of Recipient:** | | | |
| **Name of Subrecipient(s):** | | | |
| **Grant Number:** | | | |
| **Project Name:** | | | |
| **Staff Consulted:** | | | |
| **Name(s) of Reviewer(s)** |  | **Date** |  |

**NOTE:** All questions that address requirements contain the citation for the source of the requirement (statute and regulation). If the requirement is not met, the HUD reviewer must select “NO” in response to the question and 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:** This Exhibit is designed to assess a recipient’s and its subrecipient’s financial management system as well as the eligibility of the program’s expenditures. The basis for the requirements in this Exhibit are the Continuum of Care (CoC) Interim Rule and the Uniform Administrative Requirements (24 CFR parts 84 for nonprofits and 85 for states or local governments) and 2 CFR part 225 (OMB Circular A-87) and 2 CFR part 230 (OMB Circular A-122), as in effect prior to 12/26/14. When completing this Exhibit, completion of the relevant program’s match, using Exhibit 29-11, *Guide for Review of CoC Match Requirements*, is **mandatory**.

**Questions:**

1.

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| --- | --- | --- | --- | --- | --- | --- | --- |
| Do the recipient and its subrecipients have written policies and procedures ensuring that the CoC program funds are used in accordance with requirements and sufficient records to enable HUD and the recipients to determine whether CoC requirements are being met?  [24 CFR 578.103(a)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

2.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Do the recipient and its subrecipients maintain records that identify adequately the source and application of funds for Federally-sponsored activities?  NOTE: These records shall contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, income and interest.  [24 CFR 84.21(b)(2); 24 CFR 85.20] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

3.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Did the recipient or its subrecipients demonstrate that program expenses are allowable, allocable, and reasonable?  [24 CFR 84.21(b)(6); 24 CFR 85.22] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

4.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Do the fiscal records document that the recipient and its subrecipients have effective internal control over, and accountability of, all grant funds, property and other assets?  [24 CFR 578.103; 24 CFR 84.21(b)(3); 24 CFR 85.20] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

5. Internal Controls (Reference for some of the questions: GAO/AIMD-98-21.2.1, “Framework for Federal Financial Management System Checklist,” May 1998)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. Do the recipient and its subrecipients have an organization chart that illustrates the actual lines of authority/responsibility?   [24 CFR 85.20] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. Are primary duties for key employees of the recipient and its subrecipients defined?   [24 CFR 85.20] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. Does the recipient’s and its subrecipients’ chart of accounts include a complete listing of the account numbers used to support the controls required to ensure that resources used do not exceed resources authorized?   [24 CFR 85.20] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. Do the approval controls provide reasonable assurance that appropriate individuals approve recorded transactions in accordance with management’s general or specific criteria?   [24 CFR 85.20] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. Do the controls over the design and use of documents and records provide reasonable assurance that transactions and events are properly documented, recorded, and auditable?   [24 CFR 85.20] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. In the normal course of the position’s requirements, are duties segregated to effectively reduce the opportunity for someone to perpetrate or conceal errors or irregularities?   [24 CFR 85.20] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. Is it clear that all personnel are responsible for communicating to appropriate supervisory officials the recipient’s/subrecipient’s operating problems and noncompliance with laws and regulations?   [24 CFR 85.20] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
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| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. Do the internal control procedures support the ability to prepare financial statements that are accurately presented in conformity with generally accepted or other relevant and appropriate accounting principles and regulatory requirements? (One level of assurance of the accuracy and integrity of data is provided by the recipient attaining an unqualified opinion on the audited annual financial statements and internal controls.)   [24 CFR 85.20] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
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6.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Do the recipient and its subrecipients identify expenditures in its accounting records according to eligible program activities identified in the grant agreement, which incorporates the application for funds?  [24 CFR 578.37; 24 CFR 578.103; 24 CFR 84.21(b)(2); 24 CFR 85.20(a)(2)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

7.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Does a review of the sample transaction records indicate that grant expenditures were eligible costs under regulations, were necessary and reasonable for proper and efficient administration of the program, were allocable to the program, and supported by adequate source documentation (invoices, contracts, or purchase orders)?  [24 CFR 578.37; 24 CFR 578.103(a); 24 CFR 84.21(b); 24 CFR 85.20 (b)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

8.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Does the source documentation support the amount drawn down from the payment requests?  [24 CFR 578.103; 24 CFR 84.21(b); 24 CFR 85.20(b)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

9.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Does the recipient’s and its subrecipients’ financial records (e.g., drawdowns, unexpended balances) match the information in HUD’s financial management systems (e.g., Line of Credit Control System (LOCCS), Integrated Disbursement and Information System (IDIS)) for the period under review?  [24 CFR 84.21(b); 24 CFR 85.20(b)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

10.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Are payments for salaries and wages supported by documented payrolls and personnel activity reports as specified in the applicable cost principles??  [OMB Circular A-122, Attachment B, 8(m); OMB Circular A-87, Attachment B, 8(h)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

11.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Are charges to the grant by both governmental units and organizations for salaries and wages, whether treated as direct or indirect costs, based on payrolls documented in accordance with generally accepted accounting principles and approved by a responsible official(s) of the organization being monitored?  [24 CFR 578.59; OMB Circular A-122, Attachment B, 8(m); OMB Circular A-87, Attachment B, 8(h)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

12.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| For government employees working solely on the grant, are charges for their salaries and wages supported by periodic certifications that the employees worked solely on that program for the period covered by the certification?  [OMB Circular A-87, Attachment B, 8(h)(3)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

13.

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| --- | --- | --- | --- | --- | --- | --- | --- |
| For government employees only, were the certifications prepared at least semi-annually and signed by the employee or a supervisory official having first-hand knowledge of the work performed by the employee?  [OMB Circular A-87, Attachment B, 8(h)(3)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

14.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Does a random selection of administrative costs reflect that grant funds were used for eligible administrative costs?  [24 CFR 578.59; 24 CFR 84.21; 24 CFR 85.20] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

15.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Are all of the administrative costs reviewed allocable to the program, and necessary and reasonable for proper and efficient administration of the program?  [OMB Circular A-122; OMB Circular A-87] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

16.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Did a review of the recipient’s and its subrecipients’ financial records demonstrate that cash payments were not being provided directly to the program beneficiaries?  NOTE: Cash payments may not be made directly to program beneficiaries. | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

17.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Are the recipient and its subrecipients in compliance with the component or activity caps imposed by program regulations, and are all costs subject to the expenditure caps properly classified?  [24 CFR 578.89; 24 CFR 578.41] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

18.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If the recipient advances grant funds to subrecipients, did the recipient meet the requirement to ensure there are procedures to minimize the time elapsed between the transfer of funds to, and disbursement by, the subrecipients?  [24 CFR 578.85(c)(1); 24 CFR Part 84.21(b)(5); 24 CFR 85.21(c)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

19.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If the recipient uses advances, do records document that the recipient met the requirement that any interest earned on grant advances over the amount specified in the uniform administrative requirements has been remitted to the U.S. Treasury as required by HUD?  [24 CFR 85.21(i)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

20.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If indirect costs are charged to the grant program by the recipient or its subrecipients, are the costs supported by an Indirect Cost Rate Proposal or Cost Allocation Plan prepared in accordance with OMB Circular A-87, Attachment A, Section F (for units of state and local government) or OMB Circular A-122, Attachment A, Section C (for nonprofit organizations), or OMB Circular A-21, J.8 (for institutions of higher education)?  [OMB Circular A-87 (for governments) or OMB Circular A-122 (for nonprofit organizations)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

21.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If Single Audits are required, does the recipient and its subrecipients have a system or methodology to ensure that such audits are conducted?  NOTE: See non-federal audit requirements at 24 CFR 84.26(a) and 24 CFR 85.26(b).  [24 CFR 578.99(g); 24 CFR 84.26(a); 24 CFR 85.26(b] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

22.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If single audits are required for any recipient or its subrecipient(s), is there documentation that the audits have been reviewed for compliance and that the recipient or subrecipient has taken appropriate follow-up actions, if necessary?  [24 CFR 84.25; 24 CFR 85.26] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

23.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Do the recipient and its subrecipients maintain records of the receipt and use of program income?  [24 CFR 578.97] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

24.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Does the recipient or its subrecipients use program income as a nonfederal share of eligible cost?  NOTE: Recipients or subrecipients must apply program income towards eligible costs.  [24 CFR 578.97; 24 CFR 84.24(b); CFR 85.25(g)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

25.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Does a review of program expenditures indicate the absence of any unallowable costs including entertainment, contributions and donations, fines and penalties, or general governmental expenditures, including salary and expenses of the chief executive officer of the recipient/subrecipient(s)?  [24 CFR 578.99(e); OMB Circular A-87 (for governments) or OMB Circular A-122 (for nonprofit organizations)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

26.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Does a review of the expenditures indicate that costs related to lobbying political activities have not been charged to the program?  [24 CFR 578.99(e); OMB Circular A-87 (for governments) or OMB Circular A-122 (for nonprofit organizations)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |