|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Guide for Review of Overall Management of CDBG Disaster Recovery Grants** | | | | |
| **Name of Grantee:** | | **Appropriation(s):** | | |
| **Staff Consulted:** | | | | |
| **Name(s) of Reviewer(s)** |  | | **Date** |  |

**NOTE:** Most questions that address requirements contain the citation for the source of the requirement (statute, regulation, *Federal Register* notice, or grant agreement). However, in some instances, a controlling document (i.e., grant agreement or *Federal Register* notice) is provided without a specific citation. This is because rules can vary significantly from appropriation to appropriation, causing the grant agreements and published Notices to vary accordingly. If deficiencies are identified in these instances, HUD should ensure that program violation citations are appropriately noted. In addition, a statute or *Federal Register* Notice may only apply to certain grantees; carefully review the citation to determine its applicability. If a requirement is not met, HUD must make a finding of noncompliance. All other questions may 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)(5) and 24 CFR 570.901 for entitlement and state grantees under Public Law 113-2 (paragraph 26 of March 5, 2013 Notice) and 24 CFR 570.495 for state grantees).

**Instructions:** This Exhibit should be used to monitor overall management of a CDBG disaster recovery (CDBG-DR) grant. It is divided into three sections: Overall Management; Financial Thresholds; and Capacity and Performance. For purposes of monitoring CDBG-DR grants awarded to Entitlement communities, this Exhibit should supplement Exhibit 3-17.For purposes of monitoring CDBG-DR grants awarded to states and state grant recipients, this Exhibit should supplement Exhibit 4-6. Per the *Federal Register* Notices issued by the Department, CDBG-DR state grantees are provided a waiver and alternative requirement that allows them to carry out activities directly or through a subrecipient.

|  |  |
| --- | --- |
| Programs *are* *directly administered* by a state when: | Programs are *not* directly administered by a state when: |
| * The state develops the program guidelines/rules; * A subrecipient applies directly to the state for funding to undertake activities. | * 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 grantees may use a combination of the above: they may administer a portion of CDBG-DR funds directly and distribute another portion through a MOD. To monitor any CDBG-DR grant, obtain copies of the appropriate *Federal Register* Notice(s). See Attachment 6-1, “Document Reference Tool,” to determine which *Federal Register* Notices are applicable.

**Questions:**

A. OVERALL MANAGEMENT

1.

|  |
| --- |
| List below the grants being monitored and the corresponding grant amounts. |
| CDBG-DR Grant(s) Amount ($) |
| [Insert grant number]  [Insert grant number]  [Insert grant number]  [Insert grant number]  *Total* |

2.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Has the grantee documented through its Action Plan and amendments how its programs are related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization?  [Applicable appropriation law and *Federal Register* notice(s). Note that the language of each appropriation law may or may not include economic revitalization as an adequate ‘connection to a disaster.’] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

3.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Has the grantee developed policies and procedures specific to CDBG-DR (e.g., program design, management of program income)? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

4.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Is the grantee maintaining its public website in accordance with the statutory requirement to “maintain comprehensive Web sites regarding all disaster recovery activities assisted with these funds,” and does the Website include details of all contracts and ongoing procurement policies?  [*Federal Register* Notice published March 5, 2013 (78 FR 14329); only applicable to grants under Public Law 113-2] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

5.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Has the grantee notified the Department if it has updated its policies and procedures (e.g., financial controls, duplication of benefit procedures) referenced by its Certification Checklist and Revised Exhibit 3-18?  NOTE: Grantees are not expressly required to notify HUD of updates to their policies and procedures; however, HUD may review these new policies and procedures to determine whether the grantee has carried out its CDBG-DR activities and certifications in accordance with requirements of the March 5, 2013, Notice, or to determine whether the grantee has continuing capacity to carry out its activities in a timely manner.  [Notice published March 5, 2013; only applicable to grants under Public Law 113-2] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

6.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If the waiver of the requirement for consistency with the grantee’s consolidated plan (requirements at 42 U.S.C. 12706, 24 CFR 91.325(a)(5), 91.225(a)(5), 91.325(b)(3), and 91.225(b)(3)) has expired, does the grantee’s consolidated plan include its disaster recovery needs? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

7.

|  |  |
| --- | --- |
| In regard to ***timeliness***: | |
| 1. Has the grantee established a timeline for expending all grant funds? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| b. Does the grantee have adequate procedures to ensure programs and activities meet established end dates? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| c. Is the grantee current in submitting quarterly reports in the Disaster Recovery Grant Reporting (DRGR) system?  [Applicable *Federal Register* notice(s)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| d. As additional funds are allocated, or program goals change, is the grantee updating its expenditure and performance projections?  [Applicable *Federal Register* notice(s); only applicable to grants under Public Laws 111-12 and 113-2] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

8.

|  |  |  |  |
| --- | --- | --- | --- |
| In regard to ***monitoring***: | | | |
| a. Do the grantee’s policies and procedures address monitoring? | | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| b. Is the grantee monitoring recipients, subrecipients and contractors in accordance with its policies and procedures? | | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| c. Have the grantee’s CDBG-DR funds been monitored by internal audit staff? An answer of “no” establishes a finding only if the grantee is not in compliance with its Action Plan. If yes, for the funds audited, provide the following (attach additional pages as necessary):  NOTE: The DRGR system has a module that collects this information. | | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| CDBG-DR Grant(s) | Date(s) of Internal Audit | Action(s) taken by Grantee in response to Internal Audit | |
| [Insert grant number] |  |  | |
| [Insert grant number] |  |  | |
| [Insert grant number] |  |  | |
| [Insert grant number] |  |  | |
| **Describe Basis for Conclusion:** | | | |
|  | | | |

B. Financial Thresholds

9.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Is the grantee projected to meet the 50% (or applicable) overall benefit requirement (at least 50% of funds to benefit low- and moderate-income (LMI) persons)?  NOTE: Some grantees have received an alternative requirement. If an alternative requirement applies to the reviewed grantee, please note this below, and indicate the applicable requirement.  [Applicable appropriation law and *Federal Register* notice(s)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| 50% Requirement Currently Projected  CDBG-DR Grant(s) Amount ($) Amount for LMI Activities ($) | |
| [Insert grant number]  [Insert grant number]  [Insert grant number]  [Insert grant number] | |
| **Describe Basis for Conclusion:** | |
|  | |

10.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Is the grantee in compliance with the 5% (or applicable) cap on administrative costs?  NOTE: Some grantees may be subject to a different applicable cap on administrative costs. If this is the case for the reviewed grantee, please note this below, and indicate the allowable cap.  [Applicable appropriation law and *Federal Register* notice(s)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

11.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Does the amount expended for administration activities appear reasonable in comparison to the amount expended for the grant overall considering the cap on administrative expenditures? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| 5% Administrative Amount Expended Total  CDBG-DR Grant(s) Cap ($) for Administration ($) Expenditures ($) | |
| [Insert grant number]  [Insert grant number]  [Insert grant number]  [Insert grant number] | |
| **Describe Basis for Conclusion:** | |
|  | |

12.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Is the grantee in compliance with the 20% cap on overall planning and administration (i.e., no more than 5% may be spent on administration, allowing up to 15% to be spent on planning)?  [Applicable appropriation law and *Federal Register* notice(s)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

13.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Is the grantee in compliance with the 15% public services cap?  [42 U.S.C. 5305(a)(8), and, as applicable, 24 CFR 570.201] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

14.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Is the grantee projected to meet the funding amount it identified as eligible for the Disaster Recovery Enhancement Fund (DREF)? If not, has the grantee completed all of the activities that qualified it to receive a DREF allocation?  [*Federal Register* notice published August 14, 2009 (74 FR 41146); only applicable to some grants under Public Law 110-329] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| Originally Identified Currently Identified  CDBG-DR Grant(s) As DREF-Eligible ($) As DREF-Eligible ($) | |
| [Insert grant number] | |
| **Describe Basis for Conclusion:** | |
|  | |

15.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Has the grantee met, or is the grantee projected to meet its affordable rental housing requirement?  [*Federal Register* notices published October 30, 2006 (71 FR 63337) and August 14, 2009 (74 FR 41146); only applicable to grants under Public Laws 109-234 and 110-329] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| Minimum Required for Currently Obligated Amt. CDBG-DR Grant(s) for affordable rental ($) for affordable rental ($) | |
| [Insert grant number]  [Insert grant number]  [Insert grant number]  [Insert grant number] | |
| **Describe Basis for Conclusion:** | |
|  | |

16.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Has the grantee met, or is the grantee projected to meet, its set-aside for impacted public housing authorities? Has the grantee addressed the public housing needs identified in its Action Plan?  [*Federal Register* notice published March 5, 2013(78 FR 14334); only applicable to some grants under Public Law 113-2] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| Public Housing Authority                   Expenditures for Public Housing  Set-Aside ($)                                                 to date ($)  [Amount set-aside] | |
| **Describe Basis for Conclusion:** | |

17.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Is the grantee projected to meet the expenditure requirement associated with its HUD-identified most impacted and distressed counties?  [Public Law 113-2, Public Law 112-55, and applicable *Federal Register* Notices] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| Most Impacted and Required Expenditures Expenditures in Distressed Counties (MIC) in MICs ($) MICs to date ($) | |
| [Insert MICs] | |
| **Describe Basis for Conclusion:** | |
|  | |

18.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Is the grantee projected to meet any expenditure deadline(s) [e.g., twenty-four months for funds under Public Law 113-2]?  [Public Law 113-2 and applicable *Federal Register* notices] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| Expenditure Deadline(s) Amount ($) Deadline Expenditures (mm/dd/yy) to date ($) | |
| Initial Grant Agreement (Round #1) | |
| Amended Grant Agreement (Round #2)  Amended Grant Agreement (Round #3)                   Amended Grant Agreement (Round #4)  Amended Grant Agreement (Round #5) | |
| **Describe Basis for Conclusion:** | |
|  | |

19.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If the grantee has received an expenditure deadline waiver for one or more activities, are those activities projected to meet their revised expenditure deadline(s)?  [Public Law 113-2 and applicable *Federal Register* notices] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

C. CAPACITY and PERFORMANCE

20.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Has the grantee provided a current organizational chart, or other document identifying CDBG-DR roles and responsibilities? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

21.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Has the grantee lost critical staff (e.g., program manager, environmental compliance officer) in the last fiscal year? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

22.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Is the grantee taking action to resolve any open findings or recommendations from an HUD monitoring or Office of Inspector General (OIG) audit? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

23.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Did the grantee receive any complaints in the current fiscal year? If “yes,” please identify the nature of complaints below. | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| Nature of Complaint Approximate Number  Complaints Against the Grantee (e.g., topic, program, activity) of Complaints | |
| [Insert grant number]  [Insert grant number]  [Insert grant number]  [Insert grant number] | |

24.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Did any of the grantee’s subrecipients or recipients receive complaints? If “yes,” please identify the nature and number of complaints below. | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| Complaints Against an Entity Nature of Complaint Approximate No. of  other than the Grantee Complaints | |
| [Insert grant number]  [Insert grant number]  [Insert grant number]  [Insert grant number] | |
|  | |

25.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If the grantee, a subrecipient, or recipient received a complaint, did they respond in a timely manner? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |