

# Sub-Recipient Training Workshop

Grants Management  
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June 4, 2015



# Environmental Review

The City must assume the environmental responsibilities for projects under CDBG, HOME and ESG programs (24 CFR Subpart B §58.10).

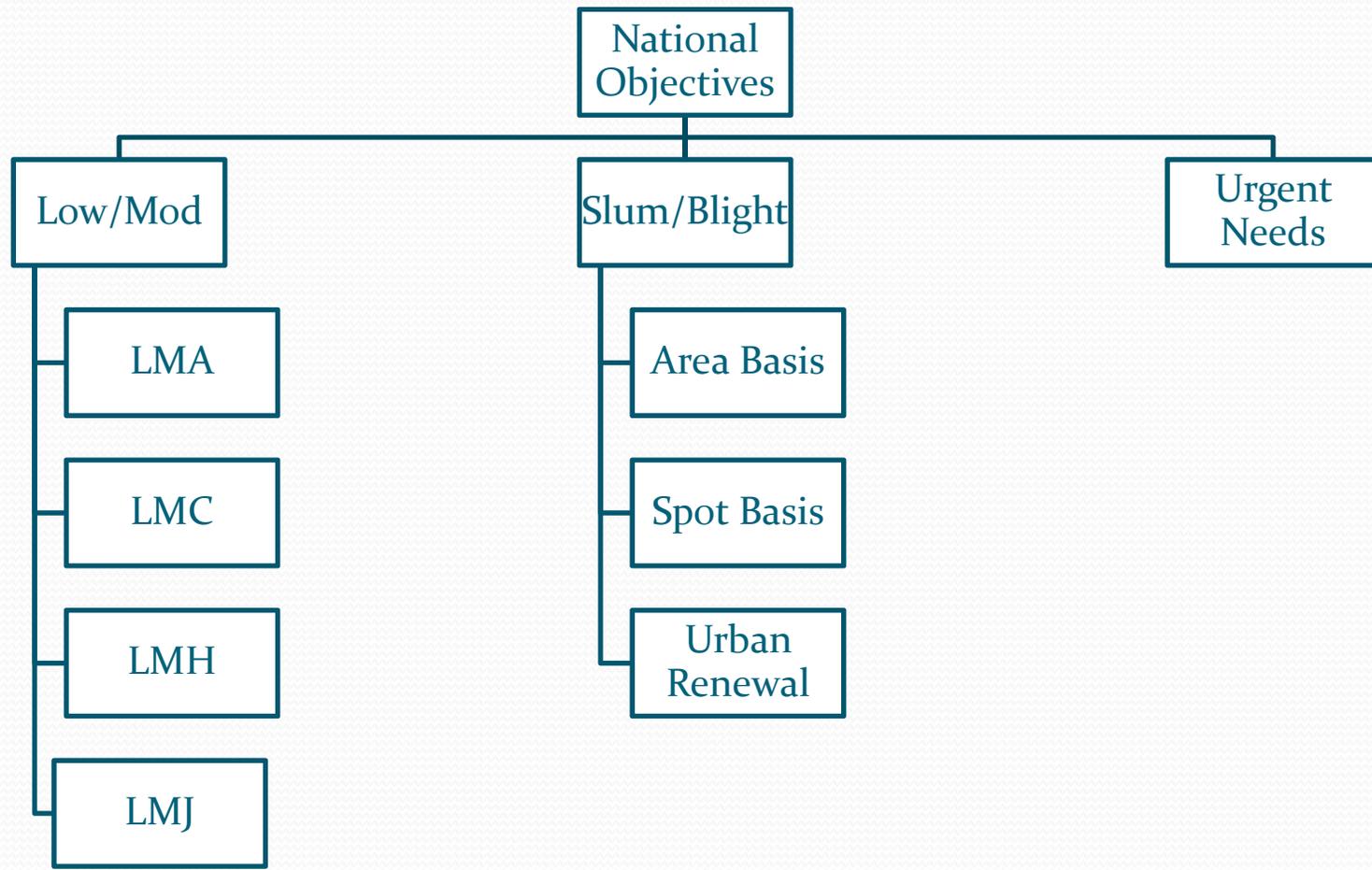
- **Environmental review** must be completed by the grantee for all project activities prior to obligating CDBG funds.
- HUD money may **not** be used to fund projects that cannot receive National Environmental Protection Act (NEPA) clearance.
- This report must be completed for every CDBG-, HOME- and ESG-funded activity to show that there is no impact on the environment or, if there is, that there is no negative impact on the environment.

# CDBG Eligibility Determination

Each eligible activity **must meet one** of the 3 national objectives:

- Must Benefit principally low and moderate income (LMI) residents; or
- Aid in the prevention and elimination of slums or blight; or
- Meet a need with a particular urgency.

# CDBG Eligibility Determination





# Key Partners

- ❖ HUD is a **Grantor**
- ❖ The City is a Grantee/**Recipient**/Participating Jurisdiction (PJ)/Responsible Entity (RE)
- ❖ Your organization/Department or Division-Program is a **Subrecipient**

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“Subrecipients are our partners, not our adversaries. Their performance, good or poor, reflects on both partners.”

~(HUD’s Guidebook for CDBG Grantees on Subrecipient Oversight)



# Types of Agreement

Three types of agreement:

1. Inter-Department Agreement
2. Sub-recipient Agreement
3. Memorandum of Understanding

# Agreement

The partnership between the Recipient (City) and Sub-recipient will be sealed by the Agreement for Services (contract):

1. Exhibit A - Scope of Services (Definition and Planned activities)
2. Exhibit B – Budget (Detailed description of each line item)
3. Exhibit C – Accomplishments (Quarterly and annually reporting of the accomplishments)
4. Exhibit D - Unique Appendices (HUD regulations and Administrative requirements: certifications, administrative and program procedures, job description, cost allocation worksheet, contract procurement, activity log ...)

# Sub Recipient Agreement (cont'd)

5. Terms of agreement (one year contract or multi year term), compensation (HUD requires timely expenditure of funds), method of payment (Payroll, PO issuance and payment requests).
6. Record Keeping (financial data versus client data): timesheets, payroll records, beneficiaries/clients information, receipts for the expenses, ...
7. Technical Assistance Request.



# Program Procedures

Written policies and procedures related to:

- Scope of the services,
- Job description
- Financial Procedures related to internal control,
- Procurement procedures,
- Submit Reimbursement Requests (invoices) based record keeping documentation (on an ongoing basis),
- Prepare Periodic Reports (monthly for invoices and/or quarterly for IDIS updates),
- Program and Budget Changes,
- End of year Summary Report (ACR/APR) for the CAPER.

# Reporting Requirements

Various reports and/or forms are required to be submitted to City-Grants Management:

- Quarterly Reporting to update federal financial system
- Year-end reporting to reconcile HUD reports prepared for the Consolidated Annual Performance and Evaluation Report (CAPER): Annual Progress Report, Annual Completion Report ...

# Performance

## *Warning Signs of Performance Problems:*

1. Failure to meet deadlines or other contractual obligations;
2. Reports that are missing, late, incomplete, or provide questionable information;
3. Lack of responsiveness, including failure to keep the Grants Management Division informed about delays or problems;
4. Reports from the media or the public raise questions about the project, its performance and customer service.

## Reporting Requirements (cont'd)

# Quarterly Performance Report

## QUARTERLY PERFORMANCE REPORT

Quarter	Description of Projected Services	Actual Performance Outcome

All of the statements and claims made herein are true and correct. Pursuant to 18 USC §1001, 31 USC § 3729, et seq., and 24 CFR Part 28, false or fraudulent statements or claims are subject up to 5 years imprisonment and civil penalties up to \$10,000 plus up to 3 times the amount of damages sustained by the Government for each fraudulent act committed.

Report Prepared By:

Signature: \_\_\_\_\_

Title:

Date: \_\_\_\_\_



# Pre-Agreement Visit

Please sign-up for the initial visit from Grants Division staff during the month of July 2014. This is a **mandatory** requirement for the new sub-recipients of CDBG funds.

# Assistance/Monitoring Review

## Training assistance:

1. Compliance with program rules and regulations;
2. HUD requirements for procurements and contract administration: bid document, notice of availability of funds, labor compliance, Section 3...)
3. Invoices and Reports submission; and
4. Record keeping.

Technical Assistance is provided as needed to the sub-recipient. It is designed to assist in correcting a specific weakness in performance of a particular activity or in general administration.

City's staff monitors subrecipients and projects to ensure compliance and to evaluate the performance level as well as to detect any performance issues. The ongoing (desk) monitoring is done through the review of invoices, the payroll expenses, the eligibility of payment requests for contract payments, periodic progress reports (quarterly reports). The monitoring review will be scheduled as an On-Site Program/Financial review, toward the end of the fiscal year (during the month of June): project sites visit, project staff interviews, review of project file and beneficiary files, timesheets and payroll records, project schedule, etc.

# Year- End Process

- Respect the deadline to submit final invoices (first week of July);
- Submit quarterly reports by the established deadline;
- Submit the Annual Completion Report (ACR) and Annual Progress Report by the end of July 2016, with summary of annual accomplishment data such as demographics and eligibility data and also a self- evaluation of the project/activity .

# HUD Monitoring Visit

## Grant Administration:

1. Uniform administrative requirements
2. Documentation for eligibility of the activity (POI)
3. Record Keeping
4. Reporting Requirement
5. Reimbursement Requests (drawdowns against costs posted in THE)
6. Closeout procedure: year-end CIP project completion report, IDIS completion, and ACR's
7. Enforcement
  - Performance Reviews
  - Remedial Actions
  - Sanctions

HUD may schedule a site visit of the organization if necessary.



# QUESTIONS?

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## Contact:

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