

X. MONITORING

All CDBG-EAP Grantees will be monitored at least once per contract period; usually close to the end of the contract period. Many grantees will also receive a “TA/Administrative Review” visit early during the contract period.

When Commerce CDBG-EAP representatives come to your community to monitor your CDBG-EAP program, you can expect the following:

- You will be notified well in advance of the monitoring visit. CDBG-EAP reps will never pay a “surprise” monitoring visit to your office.
- You will receive a letter prior to the monitoring visit describing when the reps will arrive, and what will be reviewed during the visit.
- You will be requested to provide an area in which at least two people can work comfortably.
- CDBG-EAP reps have the right to review any file or record that is associated with the CDBG-EAP program.
- The CDBG-EAP reps monitoring your program will use the forms included in this chapter.
- To the extent you are able to have the necessary forms and documentation ready and available, your monitoring visit will go quickly and smoothly.

Documents and forms to have ready for your TA and monitoring visits:

- Excessive Use of Force Ordinance
- Adopted Residential Anti-Displacement and Relocation Assistance Plan
- Invoices, timesheets, and any other documents needed to support CDBG-EAP payments
- Acquisition/Disposition Register
- Fair Housing activity documentation
- Citizen Participation public hearing documentation
- All financial management forms – with entries current
- Housing and other project files – with documentation arranged in an orderly fashion
- Municipal procurement policy for goods and services

CDBG-EAP PROGRAM FILES CHECKLIST

GRANTEE _____ CONTRACT NO. _____

REVIEW DATE(S) _____ REVIEWER(S) _____

- ____ A. APPLICATION
 - ___ Application and supporting materials.
 - ___ Correspondence about the application.
 - ___ Citizen Participation Plan "Implementation" hearing date _____

- ____ B. GRANT CONTRACT
 - ___ Commerce award letters.
 - ___ Signed grant contract plus any amendments and correspondence about any grant conditions.

- ____ C. PROCUREMENT FOR SERVICES UNDER \$100,000
 - ___ Grantee maintains file with signed procurement policy.
 - ___ Contractors/consultants/engineers/auditors hired using procurement: _____
 - ___ Price and rate quotations from three (3) qualified sources.
 - ___ Grantee provides a rationale for contractor selection or rejection.
 - ___ Grantee documents that it has entered into no contracts with any agency, firm, contractor, etc. listed on the HUD debarred list.
 - ___ Current acquisition/disposition register.
 - ___ Commerce approval for purchase/lease of equipment valued in excess of \$2,000.

- ____ D. MONITORING/INSPECTION FILE
 - ___ Commerce Technical Assistance letters
 - ___ Commerce monitoring reports, letters of findings and recommendations.
 - ___ Response(s) to letters of findings.
 - ___ Evidence clearing monitoring findings.
 - ___ Other monitoring-related correspondence.

- ____ E. AUDIT
 - ___ Single Audit submitted per requirements.
 - ___ Previous concerns and findings addressed.

MISCELLANEOUS

- ___ Grantee understands 3-day guideline.
- ___ Grantee understands 10-day project fund disbursement guideline.
- ___ Grantee understands there are no more administrative dollars.
- ___ Grantee has collected "lobbying" forms from any contractors receiving \geq \$100,000.
- ___ Grantee has Excessive Use of Force policy.
- ___ Grantee has Anti-Displacement Policy.
- ___ Grantee maintains timesheets for grantee staff time on CDBG Program.

COMMENTS

CDBG-EAP EQUAL OPPORTUNITY MONITORING CHECKLIST

COMMUNITY _____ GRANT # _____

REVIEWER _____ REVIEW DATE _____

4 (YES) N (NO) N/A (not applicable)

- _____ 1. Has demographic profile of community on file, e.g., data relating to race, ethnicity, gender, age, head of household (HOH), handicapped persons
- _____ 2. Are there any identified minority population concentrations?
- _____ 3. Were any actions taken to attract minority applicants?
- _____ 4. Were any actions taken to attract minority or women's business enterprises?
- _____ 5. Evidence of efforts made to promote the use of local businesses.
- _____ 6. Maintains charts showing EO compliance:
 - _____ Program beneficiaries and supporting data.
 - _____ Grantee employment data.
 - _____ Current chart of MBE/WBE contracts/subcontracts.
 - _____ Specify actions taken and documented (or planned) to remedy any problems indicated by review of data above.
- _____ 7. Section 3: Local employment/training efforts.
 - _____ Section 3 "Preference Policy" on file.
 - _____ Income status of existing employee(s) paid with CDBG funds is documented.
 - _____ Specific action taken and documented to promote local LMI employment/training.
 - _____ Were any new or vacant positions filled or existing employees' hours expanded?
 - ___ If yes, were they paid for with CDBG funds?
 - ___ If yes, was effort made to hire LMI persons?
- _____ 8. Section 3: Local contracting efforts (any one contract \geq \$100,000).
 - _____ Preference Policy on file for "Section 3 Businesses"
 - _____ Specific action taken and documented to promote use of local businesses.
 - _____ Use of local businesses documented.
 - _____ Preference Policy and Section 3 Clause in bidding and contract documents
- _____ 9. Documentation of Fair Housing Activity(s)
- _____ 10. Appropriate language in bid specifications and contracts let by the Grantee. (Should include Title VI and Section 109 and EO 11246.

	CONTRACT	EO 11246	TITLE VI	SECTION 109
_____ a.	_____	_____	_____	_____
_____ b.	_____	_____	_____	_____
_____ c.	_____	_____	_____	_____

FINANCIAL MANAGEMENT MONITORING CHECKLIST

GRANTEE: _____ CONTRACT #: _____ DATE: _____

DATE CONTRACT SIGNED: _____

GRANT FILE:

- _____ Signature Certification form
- _____ Depository Certification form
- _____ Drawdown Register
- _____ Copies of Requests for Payments submitted to Commerce

DRAWDOWN REGISTER:

- _____ Has all _____ payment requests recorded
- _____ Shows balances for each budget category and they match the balances on the Drawdown Summary Register (Excel).

Budget category	_____	_____	_____	_____	_____	_____
Commerce Balance	_____	_____	_____	_____	_____	_____

- _____ The total remaining balance as of _____ agrees with Commerce figures

Commerce figure:	_____
Grantee figure:	_____

GRANT ACCOUNT TRANSACTIONS JOURNAL:

- _____ Is current
- _____ Records all fund receipts into Grant Account (CDBG, program income, and misc. - NOT RLF)
- _____ Has columns for date, check #, amount of check, and each budget category
- _____ Records all disbursements on the day they were made from the Grant Account
- _____ Lists all check numbers and indicates which, if any, are voided checks (verify)
- _____ Shows balance of Federal Funds on Hand for every day a disbursement was made
- _____ Shows the same disbursements to date as appears on the last Request for Payment of CDBG Funds

Date of last payment request:	_____
Amount of ACTUAL DISBURSEMENTS on payment request	_____
Amount of TOTAL DISBURSEMENTS on Cash Control Register	_____

- _____ Shows the Grant Account never has more than \$5,000 for more than three days

Explain any exceptions:

GRANT ACCOUNT TRANSACTIONS JOURNAL (continued)

_____ Reconciles with Bank Statement

Date of Bank Statement: _____

	1.	Balance shown on Grant Account Transactions Journal	\$ _____
(-)	2.	Deposits not shown on Bank Statement	\$ _____
(+)	3.	Checks not cleared on Bank Statement	\$ _____
(+)	4.	Funds paid by municipality that have not been reimbursed by grant account	\$ _____
(=)	5.		\$ _____
	6.	Balance from Bank Statement	\$ _____

(#5 should equal #6)

_____ Disbursements from Grant Account authorized/signed by municipal official (clerk, finance director, etc.)

Comments:

REHABILITATION OBLIGATION TRACKING JOURNAL:

_____ Is current

WORKING ACCOUNT TRANSACTIONS JOURNAL:

_____ Is current

_____ Records deposits into the Working Account from the Grant Account

_____ Documents that funds drawn for rehab projects were disbursed in 10 days from date deposited in account

_____ Documents that RLF project funds were disbursed before requesting additional grant funds.

_____ Documents that RLF admin funds were used for appropriate purposes.

WORKING ACCOUNT TRANSACTIONS JOURNAL (continued)

_____ Working Account reconciles with Bank Statement

Date of Bank Statement: _____

1.	Balance of Working Account Transactions Journal	\$ _____
(-)	2. Deposits not shown on Bank Statement	\$ _____
(+)	3. Checks not cleared on Bank Statement	\$ _____
(=)	4.	\$ _____
	5. Balance from Bank Statement	\$ _____

(#4 should equal #5)

SOURCE DOCUMENTS TO SUPPORT FINANCIAL TRANSACTIONS:

_____ There is an invoice for each check

_____ The drawdowns were disbursed for the budget categories from which they were requested.

_____ If administrator is municipal employee, timesheets verify expenditure of administrative funds

CDBG-EAP REHAB PROJECT/PARTICIPANT FILE CHECKLIST

Grantee/Contract Number: _____

Property Owner: _____ Phone: _____

Rehab Address: _____ Loan # _____

CDBG \$ in Project: _____ Total Project Cost: \$ _____

Project is: _____owner-occupied _____renter-

FILE CONTENTS (does the file contain:) 4 (YES) N (NO) N/A (not applicable)

Completed rehabilitation application form? _____
(Must include **marital property statement, age of structure, and conflict of interest**)

Release of information form? _____

Verification of: Title? _____
 Homeowner Insurance? _____
 LMI status/income?: _____

Property inspection reports? _____
(before _____, during _____, and after _____ rehab)
(Must specifically mention **lead-based paint** and **smoke detectors**)

Specifications for the work to be done? _____
(Must have adequate number of working smoke detectors when work done.)

Bids for the work to be done? _____
(List bids.)

Acceptance of bids by property owner? _____

Final loan approval by Grantee? (Date: _____) _____

Signed contract(s) between owner and contractor? (Date: _____) _____
(**Must** include Lead-based paint restrictions and One year guarantee of work)

Lead-based paint brochure to occupant? _____

Signed Authorization to Terms/Conditions of Grant? (Date: _____) _____

Request by contractor for each payment made?
(Must have homeowner's authorization **for EACH** payment request) _____

Lien waivers?
(A FINAL or one for each payment request) _____

Written and authorized change orders? _____

SITE VISIT

Was on-site visit made to this rehab project? _____

Was a phone interview done for this project? _____

Were all contracted items satisfactorily completed? _____

To be asked of the property owner:

Were you satisfied with rehab? _____

Were you satisfied with rehab loan process? _____

Did you receive the lead-based paint brochure? _____

Did you receive copies of all paperwork in a timely manner? _____

Could the program have been more helpful to you in any way?

Do you have any comments about the assistance you received or wish you had received?

PROJECT SUMMARY

ACQUISITION MONITORING CHECKLIST

GRANTEE / CONTRACT NUMBER: _____

Acquired Property Address: _____

Reviewer / Date: _____

Property Use:

_____ Single Family Residential _____ Multi Family Residential
_____ Commercial _____ Industrial
_____ Other _____

Occupants:

Seller's Name / Current Address / Phone: _____

Tenant's Name / Current Address / Phone: _____

SIGNIFICANT DATES:

	<u>Date</u>
Official determination to acquire (<i>usually execution of grant agreement or amendment</i>)	_____
Notice of Intent to Acquire	_____
Notice of Land Acquisition Procedures (brochure) given to owner	_____
Initiation of Negotiations (<i>initial written purchase offer provided</i>)	_____
Owner accepted offer	_____
Final firm contract entered (<i>all parties</i>)	_____
Condemnation proceeding instituted (<i>if applicable</i>)	_____
Estimated just compensation deposited with court (<i>condemnation only</i>)	_____
Grantee takes title	_____
90 day Notice to Vacate Property delivered	_____

Acquisition review for _____ (cont'd)

Significant Dollar Amounts

	<u>Date</u>	<u>Amount</u>
First Appraisal	_____	_____
Second Appraisal	_____	_____
Third Appraisal	_____	_____
Review Appraisal	_____	_____
Just Compensation	_____	_____
Initial Written Offer	_____	_____
Acquisition Price	_____	_____

Appraisal Review

	<u>Yes</u>	<u>No</u>
Are the data contained in the appraisals adequate to determine fair market value?	_____	_____
Are the analyses of the data in the appraisals reasonable?	_____	_____
Do the appraisals disregard the influence of the project on the fair market value of the property?	_____	_____
Is the amount determined to be just compensation an acceptable conclusion of the fair market value of the property?	_____	_____
Are the appraisals of fair market value and determination of just compensation acceptable for each tenant-owned improvement?	_____	_____

COMMENTS:

General Findings

	Yes	No
Did the Grantee provide the owner an adequate Notice of Land Acquisition Procedures brochure in advance of initiating negotiations?	_____	_____
Was the owner invited to accompany all of the appraisers on their inspection of the property?	_____	_____
Was the amount determined for Just Compensation the same or more than the grantee's approved appraisal of the fair market value of the property?	_____	_____
Prior to any bargaining, did the grantee furnish the owner with a firm offer to purchase, stating all basic terms and conditions, at the full just compensation amount?	_____	_____
Did the grantee provide the owner a Statement of the Basis for the Determination of Just Compensation at the time the owner was given the written offer to purchase?	_____	_____
Did the owner receive the amount determined to be just compensation?	_____	_____
Does it appear that the grantee generally carried out the acquisition process in a manner that minimized hardships to the owner and was consistent with its treatment with other owners?	_____	_____

COMMENTS:

Reviewer/ Date _____