



We Are Columbia

# **2022 CDBG Subrecipient Grant Administration Training**

July 14, 2022

1:00 P.M.

Public Services

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# **CDPAC**

## **Community Development Programs Administration and Compliance**

- Provides oversight and technical assistance for federal programs (HOME, HOPWA, CDBG, CDBG-DR, CDBG-MIT, CDBG-CV) and other general fund programs and activities
- Ensures City compliance with federal, state, local regulations
- Provides Quality Assurance and Quality Control (QA/QC) for continuous program improvement
- Monitors subrecipients for compliance with federal regulations
- Prepares the 5-year Consolidated Plan, Annual Action Plan, Affirmatively Furthering Fair Housing (AFFH) Assessment and Consolidated Annual Performance Evaluation Report (CAPER)
- Prepares various federal reports

# Community Development Block Grant (CDBG) Program

- CDBG funded and regulated by U.S. Dept. of Housing & Urban Development (HUD)
- Authorized under Title I – Housing & Community Development Act of 1974
- 3 National Objectives
  - Benefit Low-Moderate Income persons/households
  - Prevent and/or Elimination of Slum/Blight
  - Address an Eminent Threat or Urgent Need

# Low-Moderate Income

- LMA (*Low/Moderate Area Benefit*) –benefits all the residents of an area, primarily residential and where at least **51%** of the residents are low to moderate income individuals.
  
- LMC (*Low/Moderate Clientele Benefit*) –provides benefit to a specific group of people, of which at least **51%** of the beneficiaries of the activity must be low to moderate income persons, OR provides benefit to clientele who are presumed by HUD to be principally low to moderate. The HUD presumed LMI groups are:
  - Abused Children
  - Elderly Persons
  - Battered Spouses
  - Homeless Persons
  - Adults - Severely Disabled Persons (HUD Defined)
  - Illiterate Adults
  - Persons Living with AIDS
  - Migrant Farm Workers

# CDBG Start-up & Completion

- Notice of Funds Available (NOFA) Process
  
- Award Categories
  - Public Service (Including Neighborhood Improvement)
  - Non-Public Service (Infrastructure, Housing Rehab, Economic Development)
  
- Prior to Execution – Implementation Plan, Budget, Requested documents (Environmental Review)
  
- 1 year award – Begins July 1<sup>st</sup> , Ends June 30<sup>th</sup>

# CDBG Start-up & Completion

- Initial Start-up 1-on-1 Technical Assistance Meeting
  - Timeliness Expectations \*(May 1st)
  - Implementation
    - Expenditures
      - 50% - Dec 31<sup>st</sup>
      - 75% - March 31<sup>st</sup>
      - 100% - June 30<sup>th</sup>
    - Monthly Reimbursement & Activity Reports
- \*HUD's Annual Timeliness Test

# Administrative Provisions

- Written Agreement
  
- Post Award Responsibilities
  - Federal Requirements
    - (24 CFR Part 570) CDBG Code of Federal Regulations
    - (2 CFR Part 200) OMB Super Circular
    - Other Federal Requirements (Exhibit B)

# Subrecipient Responsibility





# Subrecipient Responsibility

- Carry out activities in conformance with federal requirements in a timely manner
- Track the progression of activities and evaluate performance
- Establish effective management practices over CDBG funded activities
- Document activities, procedures, expenditures, and outcomes
- Maintain effective communication with CoC staff throughout the CDBG grant period

# Documentation – Timekeeping

- Charges to federal awards for salaries and/or wages must be based on records that accurately reflect the work performed. The records must:
  - Be supported by system of internal controls which provides reasonable assurance that charges are accurate, allowable and properly allocated.
  - Be retained in the official records of the subrecipient for the prescribed time limits.
  - Reasonably reflect the total activity for which the employee is compensated.
  - Comply with established accounting policies and practices of subrecipient.
  - Support the distribution of employee salary/wages among specific activities by funding sources, either directly or by indirect cost pool.



# Compliance includes:

- Financial Management
- Procurement and Contracting
- Quality Assurance & Control, Record Keeping & Monitoring
- Other Federal Requirements



# Financial Management



# Internal Controls

- Internal controls include:
  - Written accounting procedures for approving and recording transactions
  - Provision of reliable, complete, and current information and separation of duties
  - Clear set of standards for determining the reasonableness, eligibility, and timely manner for allocating costs

# Accounting Records

- Accounting records includes:
  - Chart of accounts
  - Cash receipts journal
  - Cash disbursements journal
  - Payroll journal
  - General ledger

# Allowable Costs

- A cost is allowable under the CDBG Program if:
  - Expenditure is necessary, reasonable, and directly related to the grant
  - Has been authorized by the City
  - Cost can be allocated to the CDBG Program
  - Not prohibited under federal, state, or local laws



# Source Documentation

- Supporting documentation is necessary to show that the costs charged against CDBG funds were:
  - Incurred during the grant period
  - Paid out (or properly accrued)
  - Expended on allowable and allocable items
  - Approved by the responsible official(s) in the subrecipient organization

# Budget Controls

- Procedures to monitor expenditures against approved CDBG Budgets
- Ongoing system to compare actual receipts, encumbrances and expenditures
- Budget review are completed to determine if funds are available to complete the project

# Request for Reimbursement

- Invoice for expended funds
- Reimbursement basis only
- Supporting documentation
  - copy of expenditure (i.e., unpaid invoice, CDBG Timekeeping Report)
  - proof of payment (i.e., copy of paid invoice, staff time sheets and cancelled check)
- Submitted monthly (*Due by the 15<sup>th</sup> of each month*)

# Reporting Requirements

- **Monthly progress reports (required)**
  - Actual activity accomplishments
  - Expenditures to date
  - Barriers or challenges for timely completion
- **Information is used for:**
  - IDIS (Integrated Disbursement & Information System) Reporting
  - CAPER (Consolidated Annual Performance and Evaluation Report)
  - Community Development Accomplishment View Book
  - Planning

# Reporting Requirements cont.

## For ALL Activities:

- Monthly Reimbursement Request- ZoomGrants
- Backup documentation uploaded into the ZoomGrants
- Monthly Activity Report –ZoomGrants

*\*Monthly reports due by the 15<sup>th</sup>*

# Procurement and Contracting



# Procurement and Contracting

Equipment and or Services purchasing methods are as follows:

- \$0 - \$ 500 --- Direct reimbursement with an invoice copy.
- (Small Purchases) \$500 - \$ 10,000 --- Two or more verbal quotes; written quotes if labor or detailed product or service specifications. (Please use Procurement Form [Exhibit F])
- (Competitive Sealed Bids) \$10,000 - \$ 25,000 --- Two written quotes obtained by Subrecipient agency or the City's Purchasing staff. May use "Request For Quotes", advertise, and/or use pre-bid conference.

# Small Purchases

- Purchases where the estimated cost of materials, equipment, or supplies is less than \$10,000 may be made upon receipt of a minimum of two verbal bids. Select the lowest/most responsible bidder.
- Documentation of the quotes are to be kept in your files. Please use Procurement Form (Exhibit G)



# Sealed Bid Competitive

- Requires publicly solicited sealed bids
- Formal advertising must present a complete and adequate specification or purchase description
- Three or more responsible suppliers compete or respond to bid invitation
- A unit price contract awarded to the lowest, most responsible bidder

# Competitive Sealed Bid cont.

- Invitation must be clearly defined, including specifications and attachments
- All bids must be opened publicly
- Invitation for bids must be advertised for a minimum of 10 days
- Advertisement must acknowledge that federal funds are being provided (CDBG) program
- Contract award must be made by written notice to the lowest, most responsible bidder

# Monitoring & Record Keeping



# Monitoring

- Monitoring or Compliance Review is technical assistance to guide agencies toward effective administration of a CDBG grant
- Risk analysis, desk audit, or on-site monitoring/TA visit during or shortly after the grant period
- Monitoring includes review of monthly reports, reimbursement requests, and other information submitted to the City
- Monthly reports are due *by the 15<sup>th</sup> of each month*

# Monitoring (Continued)

## ➤ Purpose of monitoring

- To verify appropriate documentation is being maintained related to the activity
- To determine the level of progress made
- To document the agency's compliance with all applicable HUD regulations

# Monitoring Visit

- Notification Letter (at least two-three weeks in advance)
- Entrance Conference
- Review of records and project site
- Exit Conference
- Monitoring Review Letter (45 days)
- Monitoring Response Letter (30 days)

# Record Keeping

- Subrecipients are required to establish and maintain at least three (3) major categories of records:
  - Administrative
  - Activity Files
  - Client Files
- The records must be maintained for five (5) years after the project has been officially closed out.

# Administrative Records

- 2 CFR Part 200 – OMB “Super Circular”
- Overall administration of the CDBG activity includes:
  - Personnel Files
  - Property Management (Housing)
  - General Project Files (Application, Subrecipient Agreement, Grant Correspondence, etc.)
  - Legal Files (Articles of Incorporation, Bylaws, Tax Status, Board Minutes, Contracts, etc.)



# Financial Records

- Chart of accounts
- Manual on accounting procedures
- Accounting journals and ledgers
- Supporting documentation (invoices, time sheets, cancelled checks, etc.)
- Procurement files
- Bank records
- Financial reports and audits
- Financial Policies and Procedures

# Activity Files

- Full description of the project
- Records documenting:
  - CDBG Program National Objectives
  - Eligibility of activities (i.e. Income and Household Composition Data to include Exhibit A and backup documentation)
  - Compliance with environmental review, procurement and fair housing/equal opportunity components of the CDBG Program

# Access to Records

- All Subrecipient records must be made available to the City, HUD, OIG (Office of Inspector General) or their representatives, at any time during normal business hours, as often as the City or HUD deems necessary to audit, examine, and make excerpts or transcripts of all relevant data.

# Environmental Review Record (ERR)



# Environmental Review

- Subrecipients are prohibited from the commitment or expenditure of CDBG funds **until** the environmental review process has been completed *and*, if required, the Grantee receives a Authority To Use Grant Funds (AUGF) from HUD.
- Your assigned Program Compliance Specialist will send you a ER Clearance Authorization needed to begin spending funds;
- Keep documentation in your program file.

# Environmental Review

## *Levels of Review*

- 58.34 Exempt (*Public Services*)
- 58.35(b) Categorically Excluded NOT Subject to CFR 58.5
- 58.35(a) Categorically Excluded and Subject to CFR 58.5 “A” Checked Statutory Worksheet
- 58.35(a) Categorically Excluded and Subject to CFR 58.5 “B” Checked Statutory Worksheet
- 58.36 NEPA Environmental Assessment

# Fair Housing (AFFH)

- Title VIII of the Civil Rights Act of 1968,
- Protected Classes
  - Race
  - Color
  - Religion
  - Sex
  - Familial status
  - National origin
  - Disability

# Language Access Plan

2004 Census Test		2010 Census	
LANGUAGE IDENTIFICATION FLASHBOARD			
<input type="checkbox"/>	ضع علامة في هذا المربع إذا كنت تقرأ أو تتحدث العربية.	1. Arabic	
<input type="checkbox"/>	Թե՛ղևորդ եմ և՛ լեզուստե՛ղ արա՛ց քանակապատճառ, կրճի կարգաւի՛ր կը օգտակար ինձ:	2. Armenian	
<input type="checkbox"/>	যদি আপনি বলে পড়েন বা বলেন তা হলে এই বক্সে মাপ দিন।	3. Bengali	
<input type="checkbox"/>	លុបចេញ/បំបាត់/ដកចេញ: បំបាត់/បំបាត់/ដកចេញ ផ្នែក ។	4. Cambodian	
<input type="checkbox"/>	Mofoa i kahofo ya ya'agila' o'otilaga' ma'a'hai pa' o'otilaga' kame'oto Chamsoro.	5. Chamorro	
<input type="checkbox"/>	如果你能读中文或讲中文，请勾选此框。	6. Simplified Chinese	
<input type="checkbox"/>	如果你能读中文或讲中文，请勾选此框。	7. Traditional Chinese	
<input type="checkbox"/>	Označite ovaj kvadratić ako čitate ili govorite hrvatski jezik.	8. Croatian	
<input type="checkbox"/>	Zaškrtnačte tuto kolonku, pokud čtete a hovoříte česky.	9. Czech	
<input type="checkbox"/>	Kruis dit vakje aan als u Nederlands kunt lezen of spreken.	10. Dutch	
<input type="checkbox"/>	Mark this box if you read or speak English.	11. English	
<input type="checkbox"/>	اگر خواندن و نوشتن فارسی بلد هستید، این مربع را علامت بزنید.	12. Farsi	

03-2010 U.S. DEPARTMENT OF COMMERCE BUREAU OF ECONOMIC ANALYSIS U.S. CENSUS BUREAU

The City of Columbia requires that Oral Interpretation Request cards be made available at all locations that are, in any part, funded by federal funds.

## Identifying languages:

- If an applicant requests information and does not speak English, please show them the “I Speak” card
- Ask applicant to point to the language they read or speak
- Use a Language Line service or in person interpreters for interpretation in real-time
- “Languages” include spoken languages and sign language



# **Minority Business/Women Business Enterprise (MBE/WBE)**

- To the greatest extent feasible, contract with Women and Minority Owned businesses, and report on contracts and subcontracts.

**What questions do you have?**



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**We Look Forward to a  
Successful Partnership!**