**CDBG FISCAL MONITORING CHECKLIST**

**DATE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**GRANTEE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ GRANT AMOUNT:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**MGMT.AGENCY:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ FUND/PROG. YR.:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**GRANT AWARD DATE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ENVIRON.RELEASE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**CURRENT GRANT TERM:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_SPEC.COND.CLEAR.:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**SINGLE AUDIT REPORT STATUS**

 **PERIOD OF AUDIT: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **FINDINGS CITED: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 (note: review to ensure there isn’t a continuation of non-compliance)

**STATUS: \_\_\_\_\_\_\_\_ Resolved \_\_\_\_\_\_\_\_\_Outstanding \_\_\_\_\_\_\_\_\_No Issues**

**PRIOR MONITORING FINDINGS**

**DATE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **FINDINGS CITED: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**DATE OF CLEARANCE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**CDBG FINANCIAL MANAGEMENT REVIEW**

**CDBG Community Grants Management Module**

**Were transactions supported by source documentation? \_\_\_\_\_\_ Yes \_\_\_\_\_\_No**

Expenses are supported by invoices, purchase orders, contracts and change orders. Cash receiving (drawdowns, miscellaneous receipts, program income) are supported by deposit slips, payment advice notice from bank, cancelled checks or copies of checks.

**Does the accounting system and transactions appear to be accurate and current? \_\_\_ Yes \_\_\_No**

**Does staff reconcile the accounts on a monthly basis with town accountant and treasurer? \_\_\_\_\_\_ Yes \_\_\_\_\_\_No**

**Are the expenditures eligible in accordance and allowable/allocable in accordance with Super Circular Cost Principles? \_\_\_\_\_Yes \_\_\_\_\_\_No**

**CASH MANAGEMENT** *5/23/12 HUD Final PI Rule, U.S. Treasury, HUD Escrow Account, and Program Income Account Regulations*

1. **DESIGNATED DEPOSITORY**

**Bank: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Account Number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_­­**

**Is the grantee carrying a balance greater than $10,000 for more than a 30 day period (warrant cycle)? \_\_\_\_\_\_ Yes \_\_\_\_\_\_No** *(Note – there is no finding when a grantee withdraws funds during the month, making the balance under $10,000, then – in the same time period - receives a drawdown in excess of $10,000.)*

**Has each drawdown received to date for this grant been deposited in this bank account?**

**\_\_\_\_\_ Yes \_\_\_\_\_\_No If no, indicate the circumstances below.**

**Does the City/Town pay the department expenses upfront, prior to submission of draw requests to the State? \_\_\_\_\_ Yes \_\_\_\_\_\_No**

**Are other funds (private/public) deposited in this account? \_\_\_\_\_\_ Yes \_\_\_\_\_\_No If yes, detail:**

**Are there any checks shown on the bank statement as outstanding for more than three months?**

**\_\_\_\_\_\_ Yes \_\_\_\_\_\_No If yes, detail:**

**Is interest earned on this account? \_\_\_\_\_\_ Yes \_\_\_\_\_\_No If yes and the amount is over $100, is there a record of the receipt of this interest and the disbursement to HUD (a copy of a letter to HUD and copy of the check)? \_\_\_\_\_\_ Yes \_\_\_\_\_\_No**

1. **PROGRAM INCOME**

**Bank: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_­­­­­­­­­­­­­­­­­­­­­­­­­­­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Account Number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Is this bank account set up as a Revolving Loan Fund \_\_\_\_\_Yes \_\_\_\_\_ No**

If yes, then all income earned regardless of the threshold is considered PI.

**Did the grantee meet the $35,000 PI threshold? \_\_\_\_\_\_Yes \_\_\_\_\_\_No**

**If yes, what was the amount of the 2% of (the previous calendar year) PI returned to DHCD: $**

**Has any miscellaneous income been moved out of the PI account? \_\_\_\_\_\_Yes \_\_\_\_\_\_No**

1. **HOUSING REHABILITATION CONSTRUCTION ESCROW**

**Bank: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Account Number : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Do they utilize one master escrow account for all program years? \_\_\_\_\_\_ Yes \_\_\_\_\_\_No**

**If no, please list other accounts:**

**Is the account solely used for financing to private property rehab of 1-4 units? \_\_\_\_ Yes \_\_\_\_No**

**Are other funds such as homeowner contribution to the project or legal fees, etc., transferred into this account? \_\_\_\_\_ Yes \_\_\_\_\_No** *Homeowner funds cannot be co-mingled with grant funds.*

**Are funds transferred to the account based upon a signed contract between the homeowner and contractor? \_\_\_\_\_\_ Yes \_\_\_\_\_\_No**

**Has interest earned on this account been returned to HUD? \_\_\_ Yes \_\_\_No If yes, amount:**

**Have contractor payments been disbursed within 30 working days of deposit? \_\_\_ Yes \_\_\_No**

**If no, indicate below.**

**Is there language in the contract between the homeowner and contractor(s) specifying that payments will be made through an escrow account? \_\_\_\_ Yes \_\_\_No If no, list contracts:**

**EXPENDITURES TESTING**

**Were project costs incurred prior to the environmental release date, or grant contract special condition(s) clearance? \_\_\_\_\_Yes \_\_\_\_\_\_No If yes, list below.**

**Was the amount expended for application preparation within the limit as prescribed in the CDBG Application? \_\_\_\_\_ Yes \_\_\_\_\_No Indicate the amount below.**

* **$3,000**
* **$6,000 when not funded for previous 3 years**
* **Other: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Contractor: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Are amounts charged for staff salaries documented with payrolls/time sheets (Staff working on multiple grants: time/cost allocation by hours worked on each grant and/or budget activity)? \_\_\_\_Yes \_\_\_\_No**

**Have they purchased any items over $500 with grant funds (e.g., computers, printers, etc.)? \_\_\_\_\_Yes \_\_\_\_\_\_No**

**If yes, was prior approval given? \_\_\_\_\_\_Yes \_\_\_\_\_\_No**

**Are purchased items included on the Property Register? \_\_\_\_\_\_Yes \_\_\_\_\_\_No**

**PROCUREMENT:** The following are the federal procurement standards (Super Circular) for which CDBG grantees must comply. Local governments are required to comply with the State procurement regulations which are comparable to and in most cases more stringent than the federal requirements. CDBG is not required to monitor for the State requirements. The following reflects the overall federal requirements.

**1. Competitive Sealed Bids ($35,000 > )**

**Project Name:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Amount of contract: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Contractor:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Did advertising take place 2 weeks prior to the bid opening? Y N**

 **Were the bid specifications clear, complete, and realistic? Y N**

 **Were the bids opened publicly? Y N**

**Total number of bids: \_\_\_\_\_**

**Was the lowest bid accepted? If not, why? Y N**

 **Was the Contractor given a formal written notice of award? Y N**

 **Were those contractors not selected sent written rejection letters? Y N**

**2. Competitive Negotiation ($ 25,000 > )** Note: generally used for professional services

**Project Name:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Amount of contract: $\_\_\_\_\_\_\_\_\_\_\_\_**

**Contractor:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Was the RFP clear & accurate as to solicit an adequate # of proposals? Y N**

**Total number of bids:\_\_\_\_\_\_**

 **Has the recipient documented the distribution of the RFP? Y N**

 **Did the recipient document their evaluation criteria? Y N**

 **Were those contractors not selected sent written rejection letters? Y N**

**3. Small purchase procedure (< $25,000 )**

 **Items reviewed:**

 **Have they obtained an adequate number price quotes? Y N**

1. **Non-competitive negotiation (sole-source)**

 **Did the recipient document that the item:**

 **\_\_\_\_\_ a. was available only from one source Y N**

 **\_\_\_\_\_ b. was an emergency (health, safety issue) Y N**

**Did the recipient document prior approval from CDBG? Y N**