

SUBRECIPIENT MONITORING CHECKLIST

A subrecipient is a non-profit agency or organization working for the grantee, having administrative or other responsibilities for the Community Development Block Grant. The jurisdiction, as a recipient of federal funds, is ultimately responsible for the Subrecipient's performance and compliance with federal and state regulations and requirements. As a consequence, the jurisdiction must monitor the activities of the subrecipient.

Name of Subrecipient(s): _____

	YES	NO	N/A
Is there a written Subrecipient Agreement of understanding with each operating agency?			
Date of Contract:			
Does the grantee have a system (regular procedure) for amending Agreements?			
If no, explain			
Subrecipient Agreement (continued)	YES	NO	N/A
Does the Subrecipient Agreement contain a description of the types and amount of work or products in sufficient detail to permit effective monitoring by the grantee?			
If no, explain:			
Does the Subrecipient Agreement specify a deadline for each major service or product identified in the Statement of Work?			
If no, explain:			
Does the Subrecipient Agreement specify projected costs in sufficient detail to provide a basis for comparing budgeted costs with actual costs of work?			
If no, explain:			
Is the documentation required for payment of expenses sufficient to ensure that:			
a. The payments are made only for eligible expenses?			
b. Expenses are reasonable in relation to actual performance?			
c. The funds requested are not in excess of immediate needs?			
If no, explain:			
Is any special documentation (required by the Subrecipient Agreement) maintained by the subrecipient for particular activities (i.e. "appropriate" determinations)?			
If no, explain.			
If program income is retained by the subrecipient, what provisions are made to ensure that it is used in accordance with CDBG rules?			

SUBRECIPIENT MONITORING (continued)

Subrecipient Management and Training System

Explain the grantee's management system for subrecipient oversight:

What efforts are being made to assure the Subrecipient's understanding of applicable CDBG program requirements?

a. What technical assistance/training has been provided during the year?

Trainees	Topic	Date
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b. What resource materials (regulations, OMB Circulars, etc.) did the grantee provide?

How does the grantee ensure that the subrecipient(s) maintain adequate records to comply with program requirements, including record retention?

Subrecipient's Internal Controls

How does the grantee assure that the Subrecipient's financial management systems are kept in accordance with 2 CFR 200.302 (disclosure of financial results; sources and uses of funds; control offunds; property and other assets; comparison of actual with budgeted outlays; cash management; procedures fordetermining reasonableness, allowability and allocability of costs; figures supported with source documentation;examination with audits by qualified individuals and resolution of audit results)?

	YES	NO	N/A
Does the grantee ensure that subrecipient employees working on CDBG and non-CDBG activities keep appropriate time distribution records?			

SUBRECIPIENT MONITORING (continued)

Subrecipient's Internal Controls (continued)

How does the grantee ensure compliance with procurement and/or subcontracting requirements of 2 CFR 200?

YES	NO	N/A

Does grantee require audit reports (as required under 2 CFR 200 Subpart F)?

Who reviews the audit, and how do they follow up on irregularities?

What process does the grantee use to review subrecipients for evidence of conflicts of interest involving grantee and subrecipient or subrecipient and its contractors?

What procedures does the subrecipient use to identify CDBG property and assets such as property records (2 CFR 200.312 and 200.330)?

What procedures does subrecipient use to ensure adequate safeguards for preventing loss, damage, or theft of subrecipient-held property?

Who is responsible for the following:

- a. Approving/signing invoices? _____
- b. Writing checks? _____
- c. Bookkeeping? _____

What is the process for paying project invoices?

SUBRECIPIENT MONITORING (continued)

Subrecipient's Internal Controls (continued)

Based on the receipt of CDBG funds issued in response to payment requests sampled, how many days does it take to disburse CDBG funds?

Check #	Date Check Received by Grantee	Date Funds Disbursed by Grantee	Total Days

	YES	NO	N/A
Based on information collected in the previous question, were CDBG funds disbursed as close as administratively feasible to the time they were received?			
Describe any special procedures the grantee uses to minimize the time elapsing between the receipt of CDBG funds from HCD and the disbursement of these funds:			
Are CDBG payments from HCD deposited in an interest bearing account?			
If yes, have provisions been made for returning interest earned on the deposit of CDBG funds to HCD?			
Reporting on Grant			
Are regular progress and financial reports reviewed? If yes, how often?			
What report mechanism is used to obtain information necessary for the Quarterly Progress Reports submitted to HCD?			
Is the content of the written reports clearly specified; information required is sufficient to assess the Subrecipient's performance against specifications in Statement of Work? If no, explain.			
Does the grantee verify the data and actual beneficiaries reported by the subrecipient? If no, explain.			

SUBRECIPIENT MONITORING (continued)

On-Site Monitoring by the Grantee

How often does the grantee monitor its subrecipient(s) on site? _____

Do monitoring reports document areas monitored, conclusions reached, and necessary corrective actions?

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If no, explain.

Are sufficient time to respond given to subrecipients?

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If no, explain.

Are monitoring results communicated on a timely basis to subrecipients?

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If no, explain.

1. Do results include expected corrective actions and dates for resolutions?

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If no, explain.

2. What are the grantee's internal procedures for ensuring quality of monitoring efforts, including documentation, indented actions, and follow-through on intended actions.

SUBRECIPIENT MONITORING (continued)

Program Income Monitoring

How does the grantee keep track of subrecipient-generated program income and ensure accurate reporting?

YES	NO	N/A

Does the grantee check to determine if the subrecipient has established revenue accounts to record program income?

If no, explain.

SUBRECIPIENT MONITORING (continued)

<i>Summary & Conclusions</i>	YES	NO	N/A
Based on the evidence available, does it appear that the grantee has an adequate system to review the performance of subrecipients?			
Based on the evidence available, does it appear that the subrecipients are in compliance with Section 504 and ADA?			

COMMENTS

For any issues identified during the review, provide clarification as necessary and specify corrective actions the grantee must take to resolve the issues. Describe the nature of any technical assistance provided during the review. Also describe any necessary follow-up actions that should be provided by HCD staff.