



Response to

**New Jersey Department of
Community Affairs**

Request for Quote (RFQ) for
Integrity Oversight Monitor

June 7, 2013

Submitted by:

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June 7, 2013

Robert Bartolone, Director
Department of Community Affairs
Office of Auditing
P.O. Box 800
101 S. Broad Street
Trenton, NJ 08625

Re: RFQ for Integrity Oversight Monitor of CDBG-DR Programs

Dear Mr. Bartolone:

We are pleased to submit our proposal in response to the New Jersey Department of Community Affairs (DCA) Request for Quote (RFQ) to provide services for an Integrity Oversight Monitor (the Monitor) in the oversight of DCA's Community Development Block Grant Disaster Recovery (CDBG-DR) programs, as described in DCA's Action Plan.

CohnReznick has more than 20 years of experience helping federal and state clients comply with complex regulations and can tailor our compliance, monitoring, and risk management approach to meet DCA's needs. With our vast disaster recovery operations knowledge and our considerable experience developing and implementing monitoring plans, we can ensure DCA's Sandy Recovery Division (SRD) has effective internal controls for the CDBG-DR projects and activities with respect to:

- 1) Compliance with federal and state laws, regulations, policies, and contracts;
- 2) Operational efficiency and effectiveness;
- 3) Financial management and related controls;
- 4) Prevention and detection of fraud, waste, and abuse; and
- 5) Reporting of performance outcomes.

CohnReznick's approach will utilize our team's first-hand experience performing similar scopes of services and our firm's New Jersey presence and talent to reduce long-term costs to provide the best value to DCA.

To demonstrate our team's ability to provide the best quality of services and implement a systematic and flexible risk-based approach, our proposal contains an example of the Monitoring Plan (please see Appendix A) we created in collaboration with the State of Louisiana's Office of Community Development Disaster Recovery Unit (OCD/DRU)¹. Highlights of our approach and other factors to consider in selecting CohnReznick include:

Disaster recovery past performance. We have served in a wide variety of roles across the lifecycle of numerous disaster recovery programs. Based on our knowledge of the overall process, we can offer the best value in the integrity, compliance monitoring, advisory role. We know how to identify loopholes, what the complex parts of programs are, and the processes that need to be in place from the beginning of a program to prevent instances of fraud, waste, and abuse.

Portfolio of systems and tools. To efficiently meet DCA's needs, we will utilize a broad portfolio of systems and tools, developed through best practices based on our past performances. These tools include documents, templates, and system processes needed to ensure compliance, monitoring work in progress, and report on work completed.

CPA orientation. As a CPA firm, we adhere to a standardized set of ethical rules related to governance, Inspectors General, and integrity. These rules guide our professionals in the quality control, professional ethics, and regulatory and industry oversight.

Reliance on our work product. Based on our past experience working on disaster recovery, our deliverables and additional work products will be useful tools for DCA and federal Inspectors General, external and internal auditors, and other interested parties to rely on in relation to risk assessments, audits, compliance plans, etc.

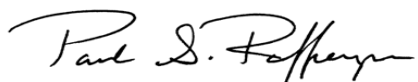
New Jersey centric. As a company with four offices in New Jersey, we felt firsthand the effects of Sandy and would appreciate the opportunity to help rebuild the affected areas. We can provide talented, local professionals dedicated to New Jersey recovery efforts.

¹ CohnReznick has obtained permission from Louisiana OCD/DRU's Compliance Manager to include the example Monitoring Plan as part of our submission.

Free of conflicts of interest. CohnReznick is not currently engaged in providing oversight, compliance, or consulting services regarding the use of federal disaster relief funds for the State of New Jersey. In addition, CohnReznick performed a conflict of interest check on all vendors as part of our comprehensive adherence to the State of New Jersey's Method of Operation for RFQ 768892S and has determined we do not have a conflict of interest to perform the requested services.

We thank you for the opportunity to submit our response to your solicitation. If you have any questions, please feel free to contact me directly.

Sincerely,



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Table of Contents

| | |
|--|-----------|
| INTRODUCTION TO APPROACH | 1 |
| TASK ORDER MANAGEMENT | 2 |
| CONTRACT TASKS | 5 |
| CONTRACT SCHEDULE | 9 |
| MONTHLY DELIVERABLES | 9 |
| PERSON-HOUR AND LABOR CATEGORY MIX | 10 |
| LIST OF ENGAGEMENTS | 11 |
| LOUISIANA OFFICE OF COMMUNITY DEVELOPMENT DISASTER RECOVERY UNIT (OCD/DRU) | 15 |
| LOUISIANA HOUSING CORPORATION (LHC) | 15 |
| LOUISIANA GOVERNOR’S OFFICE OF HOMELAND SECURITY & EMERGENCY PREPAREDNESS (GOHSEP) | 16 |
| ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY (DCEO) — “Ike” DISASTER RECOVERY PROGRAM (IDRP) | 17 |
| TEXAS DIVISION OF EMERGENCY MANAGEMENT (TDEM) | 18 |
| MISSISSIPPI DEVELOPMENT AUTHORITY (MDA) | 18 |
| TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS (TDHCA) | 20 |
| DETAILED BUDGET | 21 |
| APPENDIX A | 33 |
| SAMPLE FROM LOUISIANA’S OFFICE OF COMMUNITY DEVELOPMENT DISASTER RECOVERY UNIT | 33 |
| APPENDIX B | 34 |
| RESUMES | 34 |
| APPENDIX C | 35 |
| PROJECT GANTT CHART | 35 |

INTRODUCTION TO APPROACH

CohnReznick understands the importance of maintaining compliance with mandatory laws and regulations as well as monitoring program progress. In the aftermaths of Hurricanes Katrina, Rita, Dolly, Gustav, and Ike we have taken part in disaster recovery contracts in Louisiana, Mississippi, and Texas and nationally under HUD and FEMA's joint Disaster Housing Assistance Program.

CohnReznick's compliance, monitoring, and risk management approaches provide clients with proven processes to achieve compliance goals, as well as automated tool suites to facilitate compliance review, and Subject Matter Experts (SMEs) who provide specific solutions for resolving compliance risks.

CohnReznick has administered, managed, monitored, and/or overseen more than **\$13 billion** in federal grant funds.

CohnReznick's compliance, monitoring, and risk management approaches are designed to ensure programs are operating efficiently and effectively and the CDBG-DR funds are being used appropriately. Our team will leverage the experience we have gained while working collaboratively with the State of Louisiana's OCD/DRU providing functional and technical assistance in the development and implementation of long-term monitoring plans and compliance tools for disaster recovery funded programs for the OCD/DRU.

Our team will use proven techniques created in collaboration with the OCD/DRU to create a streamlined, all-encompassing monitoring strategy that can be adapted to address compliance and performance monitoring for all current and future DCA CDBG-DR programs. The strategy will be risk-based and focused on oversight, program/project, grantee, and contractor monitoring to ensure compliance with mandatory state and federal laws and regulations; CDBG regulations; HUD Waivers; and certifications, program, financial and contractual requirements. Please see Appendix A for an example of the risk-based monitoring plan created for OCD/DRU.

Utilizing our knowledge and understanding of CDBG-DR programs and compliance requirements, our team will work collaboratively with DCA and other contractors/consultants to apply the risk-based strategy, industry best practices, and lessons learned to develop and implement a comprehensive compliance monitoring and fraud prevention plan.

Task Order Management

Wide-ranging task order scopes of services call for a management approach that provides rapid deployment, maximum output, and scalable resources and also ensures the highest level of compliance, accountability, and transparency. Our approach will include an effective framework that coordinates SMEs, technical leads, and qualified staff.

Our proactive management processes enable us to provide the requested services to support DCA's requirements under this contract. DCA will benefit from our systematic processes for directing and managing multiple tasks and supporting a diverse array of responsibilities.

CohnReznick understands DCA will issue individual task orders concerning the specific deliverables required under the contract. Our proven management approach will support the coordinated management of all task orders with our organizational structure.

To properly manage task order assignments, our team will analyze task order requirements and determine which staff members are best suited to complete the work. We will utilize our firm's large New Jersey presence to meet the needs, staffing requirements, and timelines for DCA.

CohnReznick has direct experience performing engagements of this nature and we understand the long-term commitment associated with it. We are also sensitive to the nature of protecting taxpayer dollars. Therefore, we have developed an organizational structure to utilize our team's first-hand experience to assist with the initial phase of the engagement and our firm's New Jersey presence and talent to reduce long-term costs.

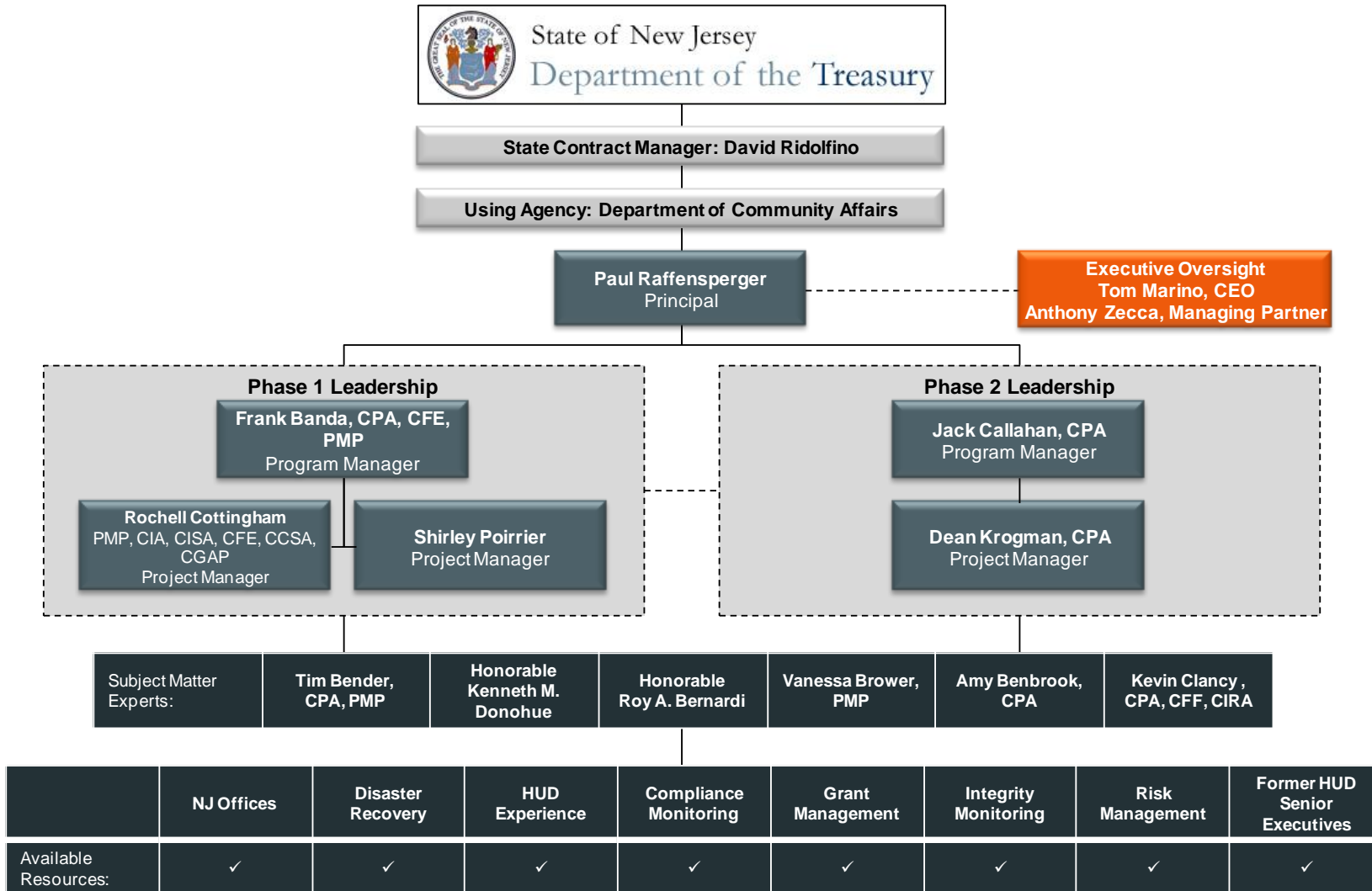
Phase 1: We will utilize our team members' first-hand experience with the OCD/DRU and our New Jersey-based personnel's knowledge of the state to adapt our systematic and flexible processes to assist the DCA in:

- The development and implementation of a comprehensive compliance, monitoring, and fraud prevention plan; and
- The development of a risk assessment mechanism to assess DCA's projects and activities compliance, operational, and financial risks.

Phase 2: Our Phase 2 team will consist primarily of the Phase 1 team members who are based in New Jersey. Utilizing local talent will reduce costs and increase efficiency to provide the best value to DCA.

Our broad New Jersey presence allows us to effectively and economically coordinate our SMEs, technical leads, and qualified staff. These local resources give us the flexibility to deploy and scale down staff, based on the requirements of each task order. In addition, our leadership and primary point of contact will remain consistent through the contract. We have structured our team to provide the flexibility needed to meet the workload of the task orders issued and we are prepared to provide the necessary resources immediately.

Our organizational chart below depicts our experienced leadership, SMEs, and qualifications of our available resources. Please see Appendix B for full resumes.



Contract Tasks

The following task outline and technical approach provide a descriptive overview of how we will manage the tasks detailed in the scope of work. Some tasks may be completed concurrently to reduce the overall development/implementation process as necessary.

- CohnReznick will develop, in conjunction with DCA, comprehensive compliance monitoring and fraud prevention tools to include monitoring of the sub-recipients/ program administrators, programs/projects, contractors, and closeout requirements to execute Task A.
 - At a minimum, the monitoring procedures will include: processes to review procedural documentation, labor compliance, procurement, record retention, construction management practices, and financial management (budgeting, cash management, support documentation, etc.).
- CohnReznick will develop, as outlined in Task B, a risk assessment mechanism to be used to assess compliance, operational and financial risks of sub-recipients/program administrators.
- CohnReznick will conduct semi-annual risk assessments for the three sub-recipients (EDA, NJFA, and HMFA) and five prime contractors engaged by DCA as a part of Task C. This may include a review of the entities' policies and procedural documentation.
- CohnReznick will conduct monitoring of DCA's sub-recipients and contractors at least semi-annually as outlined in Task D. This may include reviewing a sample of programs/projects and performing onsite inspections of the work completed.
- Additionally, the CohnReznick team will provide investigatory/audit/litigation support to DCA, as necessary, as a part of Task E.

Task A: Assist DCA in the Development and Implementation of a Comprehensive Compliance, Monitoring, and Fraud Prevention Plan

Sub-tasks

- Review monitoring plan and tools with SRD
- Revise monitoring plan and tools as required; publish final version
- Develop plan to ensure contractors' compliance with contract deliverables
Note: CohnReznick recommends reviewing all contractual requirements to include administrative and scope of work requirements, not just contractual requirements
 - Track all contracts and contractual requirements
 - Establish contractor monitoring plan and tools
 - Establish monitoring role and responsibilities
 - Establish monitoring thresholds
- Review contractor compliance monitoring plan and tools with SRD
- Revise contractor compliance monitoring plan and tools as required; publish final version
- Develop closeout/post-construction review procedures to include a forensic audit of all CDBG-funded costs
 - Project/program closeout
 - Sub-recipient/contractor closeout
- Review closeout/post-construction procedures with SRD
- Revise closeout/post-construction procedures as required; publish final version

Task B: Develop a Risk Assessment Mechanism to be Used to Assess Compliance, Operational and Financial Risks

Sub-tasks

- Develop a risk assessment methodology and instruments
 - Determine requirements for each sub-recipient and contractor
 - Assign risk level to each requirement or sub-recipient and contractor
 - Identify key components of procedures/processes
 - Assign risk level to each procedural component
- Review risk assessment methodology with SRD
- Revise risk assessment as necessary; publish final version

Task C: Conduct Semi-Annual Risk Assessments Using Risk Assessment Mechanism and Make Recommendations to DCA on Eliminating or Mitigating Potential or Identified Risks

Sub-tasks

- Conduct initial and semi-annual risk assessments
 - Request required documentation from all entities engaged
 - Score required documentation received based on risk levels identified within risk assessment
 - Identify areas of deficiency
 - Rank entities according to high, medium, or low risk score levels
- Provide recommendations and implement procedures designed to mitigate risks identified in the initial risk assessment, and provide training, technical assistance, monitoring, audit, and investigative services
 - Based on results of initial risk assessment, determine training/technical assistance needs
 - Develop sample documentation as necessary
 - Conduct state-wide training as needed and/or prioritize individual technical assistance visits using the risk score established during the initial risk assessment

Task D: Conduct HUD Compliant Agreed-Upon Procedures of all DCA's Sub-recipients and Contractors

Sub-tasks

- Prioritize entities/programs according to monitoring plan/risk assessment (at least semi-annually)
- Establish monitoring schedule (quarterly)
- Conduct monitoring of DCA's sub-recipients (at least semi-annually)
 - Select/approve project/program sample
 - Send monitoring notification (30 days in advance of review)
 - Prepare for monitoring review
 - Execute review
 - Conduct onsite inspections of work and/or project
 - Draft, approve, and send monitoring results letter
 - Make recommendations (e.g., corrective action plan(s) if applicable)
 - Follow up to ensure resolution of corrective action plan(s), if applicable

- Conduct contractor monitoring reviews (ongoing)
- Follow up to ensure deficiencies are corrected (ongoing)
- Execute closeout/post-construction reviews
 - Receive notification of closeout request via submittal of closeout package
 - Ensure all programmatic, federal, state, and contractual requirements are met
 - Ensure reporting is complete (including audit and financial reporting)
 - Obtain necessary approvals; draft and send closeout report/notification

Task E: Provide Investigatory/Audit/Litigation Support to DCA, as Necessary

Sub-tasks

- Receive direction from DCA
- Coordinate with necessary entities
- Provide documentation and reports as requested

Contract Schedule

The following schedule provides an overview of the performance milestones and associated deliverables per the tasks detailed in DCA’s scope of work.

| Task Name | Duration | Start | Finish |
|---|----------|------------|------------|
| Contract Start Date | 1 day | 07/01/2013 | 07/01/2013 |
| Task A: Develop comprehensive compliance, monitoring, and fraud prevention plan | 90 days | 07/02/2013 | 11/04/2013 |
| Task B: Develop risk assessment mechanism | 90 days | 07/02/2013 | 11/04/2013 |
| Task C: Conduct semi-annual risk assessments | 390 days | 01/01/2014 | 06/30/2015 |
| Semi-annual risk assessment (1) | 10 days | 01/01/2014 | 01/14/2014 |
| Semi-annual risk assessment (2) | 10 days | 07/03/2014 | 07/16/2014 |
| Semi-annual risk assessment (3) | 10 days | 01/02/2015 | 01/15/2015 |
| Semi-annual risk assessment (4) | 10 days | 06/17/2015 | 06/30/2015 |
| Task D: Conduct HUD compliant agreed-upon procedures | 431 days | 11/05/2013 | 06/30/2015 |
| Task E: Provide investigatory/audit/litigation support | 431 days | 11/05/2013 | 06/30/2015 |

**Please see Appendix C for Project Gantt chart.*

Monthly Deliverables

On a monthly basis the CohnReznick team will submit several deliverables, which will outline the work completed in the previous month, any instances of fraud discovered and the corresponding management approach, summarized issues identified through monitoring and audits performed, and planned activities for the next month.

| Deliverable | Duration |
|-------------------------------|--|
| Monthly Budget Report | To be submitted 10 days prior to the 1 st of the month for the duration of the contract |
| Monthly Activity Report | To be submitted within 15 days from the end of the month for the duration of the contract |
| Fraud Management Report | To be submitted within 15 days from the end of the month for the duration of the contract |
| Resolution and Closure Report | To be submitted within 15 days from the end of the month for the duration of the contract |

PERSON-HOUR AND LABOR CATEGORY MIX

| Personnel | Labor Category | Contractual Hourly Rates | | |
|--------------------|-------------------------------|--------------------------|-----------------------|-----------------------|
| | | Year 1 | Year 2 | Year 3 |
| | | 5/14/2013 - 5/13/2014 | 5/14/2014 - 5/13/2015 | 5/14/2015 - 5/13/2016 |
| Paul Raffensperger | Partner/Principal/Director | \$ 274.75 | \$ 283.00 | \$ 291.48 |
| Frank Banda | Program Manager | \$ 241.19 | \$ 248.43 | \$ 255.88 |
| Jack Callahan | Program Manager | \$ 241.19 | \$ 248.43 | \$ 255.88 |
| Rochell Cottingham | Project Manager | \$ 211.64 | \$ 217.99 | \$ 224.53 |
| Shirley Poirrier | Project Manager | \$ 211.64 | \$ 217.99 | \$ 224.53 |
| Dean Krogman | Project Manager | \$ 211.64 | \$ 217.99 | \$ 224.53 |
| TBD | Project Manager | \$ 211.64 | \$ 217.99 | \$ 224.53 |
| TBD | Subject Matter Expert | \$ 267.47 | \$ 275.50 | \$ 283.76 |
| TBD | Subject Matter Expert | \$ 267.47 | \$ 275.50 | \$ 283.76 |
| TBD | Supervisory/Senior Consultant | \$ 160.61 | \$ 165.43 | \$ 170.39 |
| TBD | Supervisory/Senior Consultant | \$ 160.61 | \$ 165.43 | \$ 170.39 |
| TBD | Supervisory/Senior Consultant | \$ 160.61 | \$ 165.43 | \$ 170.39 |
| TBD | Supervisory/Senior Consultant | \$ 160.61 | \$ 165.43 | \$ 170.39 |
| TBD | Supervisory/Senior Consultant | \$ 160.61 | \$ 165.43 | \$ 170.39 |
| TBD | Consultant | \$ 137.66 | \$ 141.79 | \$ 146.04 |
| TBD | Consultant | \$ 137.66 | \$ 141.79 | \$ 146.04 |
| TBD | Consultant | \$ 137.66 | \$ 141.79 | \$ 146.04 |
| TBD | Consultant | \$ 137.66 | \$ 141.79 | \$ 146.04 |

| GRAND TOTALS | |
|--------------|-----------------|
| Hours | Cost |
| 4,000.00 | \$ 1,119,784.72 |
| 1,848.00 | \$ 446,414.16 |
| 4,000.00 | \$ 983,002.32 |
| 2,352.00 | \$ 501,587.28 |
| 1,848.00 | \$ 391,720.32 |
| 4,000.00 | \$ 862,561.36 |
| 3,000.00 | \$ 645,994.40 |
| 1,848.00 | \$ 495,055.44 |
| 4,000.00 | \$ 1,090,112.08 |
| 4,000.00 | \$ 654,584.80 |
| 2,352.00 | \$ 380,646.72 |
| 2,352.00 | \$ 380,646.72 |
| 1,352.00 | \$ 217,607.44 |
| 1,352.00 | \$ 217,607.44 |
| 4,000.00 | \$ 561,046.24 |
| 3,503.00 | \$ 492,625.09 |
| 3,000.00 | \$ 420,182.72 |
| 1,008.00 | \$ 138,761.28 |

Labor Totals = 49,815.00 \$ 9,999,940.53

| Scope Area |
|---|
| A: Assist DCA in the development and implementation of a comprehensive compliance, monitoring and fraud prevention plan in conjunction with other DCA contractors/consultants. |
| B: Develop a risk assessment mechanism that will be used to assess compliance, operational and financial risks associated with all of DCA's projects and activities as described in DCA's HUD Action Plan that was attached to DCA's Engagement Query. |
| C: Conduct semi-annual risk assessments using the mechanism described in (b) above and make recommendations to DCA on how to eliminate or mitigate potential or identified risks. |
| D: Conduct HUD compliant agreed-upon procedures monitoring all DCA sub-recipients and contractors. For comparative purposes, please base proposals on DCA's RREM contractors overseeing the rehabilitation, reconstruction, elevation and/or mitigation of 2,000 units. |
| E: Provide investigatory/audit/litigation support to DCA, as necessary. |

| Labor Cost Allocations | | |
|------------------------|------------------|------------------------|
| % of Effort | Hours | Cost |
| 20% | 9,963.00 | \$ 1,999,988.11 |
| 15% | 7,472.00 | \$ 1,499,940.89 |
| 10% | 4,980.00 | \$ 999,692.94 |
| 54% | 26,900.00 | \$ 5,399,947.81 |
| 1% | 500.00 | \$ 100,370.78 |
| 100% | 49,815.00 | \$ 9,999,940.53 |

Labor Allocation Totals =

LIST OF ENGAGEMENTS

A fundamental characteristic that distinguishes CohnReznick is our considerable experience developing and implementing monitoring plans to ensure compliance with CDBG-DR programs. This allows us to provide the knowledge and skill sets needed to serve as DCA's Sandy Recovery Division (SRD) partner to develop, monitor, and ensure an effective system of internal control for DCA's CDBG-DR projects and activities with respect to:

- 1) Compliance with federal and state laws, regulations, policies, and contracts;
- 2) Operational efficiency and effectiveness;
- 3) Financial management and related controls;
- 4) Prevention and detection of fraud, waste and abuse; and
- 5) Reporting of performance outcomes.

With our vast disaster recovery operations knowledge, CohnReznick can help DCA ensure its desired outcomes. Our knowledge goes far beyond the monitoring experience requested by DCA. We have hands-on experience designing, implementing, executing, administering, and closing out multibillion dollar disaster recovery programs. We have also served as the Project Management Office for similar programs.

CohnReznick's experience includes rapidly deploying large-scale programs, disaster recovery operations, regulatory compliance, and full lifecycle grants management support. We have guided some of the most high profile and complex disaster recovery engagements over the last decade, which have involved administering, managing, monitoring, and/or overseeing more than **\$13 billion** in funds for federal grant programs and **\$910 million** in ARRA funds.

Our extensive experience is outlined in Table 1 below.

**Scope Outlined in
RFQ**

**Scope Outlined in
Response to Questions**

| CohnReznick's Past Performance | New Jersey Projects | Review procedures/processes for compliance with regulations, policies, and fraud/cost risks | Design/implement risk mitigation, prevention, detection programs | Review financial management system | Perform operational reviews and support oversight and investigations | Perform administrative reviews and oversight | Perform budget reviews and monitoring | Perform on-site and remote monitoring | Develop/implement compliance, monitoring, and fraud prevention plan | Develop risk assessment mechanism to assess compliance, operational, and financial risks | Conduct semi-annual risk assessments and provide recommendations | Conduct HUD compliant AUPs to monitor sub-recipients and contractors | Provide investigatory/audit/ litigation support |
|---|--|---|--|---------------------------------------|--|---|--|--|---|---|--|--|--|
| Mississippi, Texas, Louisiana, Illinois | Reconstruction, Rehabilitation, Elevation and Mitigation Program | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Texas, Illinois | Housing Resettlement Program | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mississippi, National Affordable Housing Practice | Fund for Restoration of Large Multi-Family Housing | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mississippi, Illinois, Louisiana | Small Rental Properties | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| National Affordable Housing Practice | Pre-development Fund | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mississippi, National Affordable Housing Practice | Blight Reduction Pilot Program | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

Scope Outlined in
RFQ

Scope Outlined in
Response to Questions

| CohnReznick's Past Performance | New Jersey Projects | Review procedures/processes for compliance with regulations, policies, and fraud/cost risks | Design/implement risk mitigation, prevention, detection programs | Review financial management system | Perform operational reviews and support oversight and investigations | Perform administrative reviews and oversight | Perform budget reviews and monitoring | Perform on-site and remote monitoring | Develop/implement compliance, monitoring, and fraud prevention plan | Develop risk assessment mechanism to assess compliance, operational, and financial risks | Conduct semi-annual risk assessments and provide recommendations | Conduct HUD compliant AUPs to monitor sub-recipients and contractors | Provide investigatory/audit/ litigation support |
|--|---|---|--|---------------------------------------|--|---|--|--|---|---|--|--|--|
| Mississippi, Illinois, Texas | Incentives for Landlords | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mississippi, Illinois, Texas | Sandy Home Buyer Assistance Program | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mississippi, Illinois, Texas | FEMA Match Program | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| National State and Local Government Practice | Continuation and Enhancement of Essential Public Services | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| National State and Local Government Practice | Code Enforcement | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

Table 1: Disaster Recovery Experience

National Practice Leads Supporting Roles

| Practice | Location |
|--|--------------------------------|
| Affordable Housing | All Offices |
| New Market Tax Credit | All Offices |
| Renewable Energy Tax Credit | All Offices |
| Low Income Housing Tax Credit | All Offices |
| Historic Tax Credit | Maryland |
| National State and Local Government Practice | All Offices |
| Commercial Real Estate | All Offices |
| Hospitality | New Jersey, New York |
| Governance, Internal Audit | New Jersey |
| Valuation | Illinois, Maryland, New Jersey |
| Construction | New Jersey |
| Process Improvement, Lean Six Sigma | New Jersey |
| IT Compliance and Reporting | New Jersey |
| Capital Markets | New York |
| Business Investigative Services | New Jersey |

The following provides the detailed descriptions of the engagements in which our team is currently providing, or has provided, disaster recovery support services.

Louisiana Office of Community Development Disaster Recovery Unit (OCD/DRU)

Process Improvement and Grant Monitoring Services

CohnReznick currently provides functional and technical assistance in the development and implementation of long-term monitoring plans and compliance tools for disaster recovery funded programs for the OCD/DRU. We have assisted the OCD/DRU in numerous monitoring-driven activities, which include: developing monitoring strategies, plans, risk assessments, checklists, and tracking and reporting systems; developing project performance monitoring process and tools to assist with project performance monitoring and reporting; conducting monitoring resource analysis, working with the OCD/DRU Management to compile an administrative manual for disaster recovery CDBG grantees (parishes and units of local government); and providing guidance in implementing disaster recovery grants. Some of our additional responsibilities include:

- Creating a streamlined, all-encompassing monitoring strategy for all OCD/DRU programs which resulted in an OCD/DRU Long-Term Monitoring Plan that is risk-based and focuses on oversight monitoring and program, grantee, contractor monitoring to ensure compliance with applicable regulations and requirements.
- Developing and implementing compliance and monitoring plans and tools utilized by the state to ensure compliance with federal and state requirements, including, among other things, accounting and financial requirements, of more than \$597 million in disaster recovery CDBG funds.
- Reviewing internal controls in place to protect homeowners from fraud occurring when working with construction contractors.
- Developing strategies and tools to track the performance and forecast expenditures of \$40 million in federally funded infrastructure, housing, economic development, and planning projects.

Please see Appendix A for an example of the Monitoring Plan CohnReznick created in collaboration with OCD/DRU.

Louisiana Housing Corporation (LHC)

Staff Assessment and Process Improvement Services

CohnReznick is currently engaged with LHC to provide technical assistance and subject matter expertise to assist the LHC in maximizing staff resources and developing a

system for the efficient delivery of its programs and departments, including Homeownership Programs; Rental Programs; Sustainable Housing Programs; Internal Audit Department; Accounting Department; Information Technology Department; Human Resources Department; and Asset Management Department. Some of our responsibilities include:

- Providing subject matter expertise to develop recommendations for process improvements; revised/developed processes, developed management tools and provided training to implement streamlined processes.
- Reviewing and documenting reimbursement review processes for multiple disaster recovery CDBG Programs.
- Developing and modifying processes of multiple disaster recovery housing programs to streamline program and fiscal management processes.
- Developing tools to increase transparency and improve reporting.
- Incorporating CDBG Requirements for use to monitor LIHTC Piggyback and Affordable Rental Properties.

Louisiana Governor's Office of Homeland Security & Emergency Preparedness (GOHSEP)

Process Improvement Services

CohnReznick is currently engaged with GOHSEP to assist with identifying, recommending, and implementing process improvements by developing policies in accordance with industry requirements and guidelines for areas specific to grant programs administered by the Hazard Mitigation Section. Some of our responsibilities include:

- Reviewing the Hazard Mitigation Grant Program Administrative Plan Guidelines and Procedures and recommending revisions for improving operations and strengthening controls.
- Creating guidelines, job aids, standard operating procedures and process flows for the following areas:
 - Grant File Administration
 - Payment Request Processing
 - Site Inspections
 - Quarterly Reporting
 - Procurement and Contracting
 - Closeout
 - Property Management
 - Cost Share, Matching, and In-Kind Contributions.

- Providing a needs analysis outlining recommendations to streamline GOHSEP processes and created guidelines for risk management, change management and regulatory compliance.
- Conducting compliance reviews of direct administrative cost and state management costs and assisted with establishing a system for estimating and tracking costs.
- Providing detailed analysis of the Stafford Act, 44 CFR, and OMB Circulars in developing and defining sanctions and actions that initiate sanctions.

Illinois Department of Commerce and Economic Opportunity (DCEO) – “Ike” Disaster Recovery Program (IDRP)

Grant Management, Compliance and Monitoring, and Anti-Fraud, Waste, and Abuse Services

CohnReznick is currently engaged as a subcontractor to assist in implementing IDRP. We provide fiscal and compliance guidance and support to the program as part of the State of Illinois CDBG-DR PMO that is responsible for the design and implementation of the Business Assistance Program, Community Stabilization Program, Property Buyout Program, and Public Infrastructure Program. CohnReznick’s responsibilities include:

- Providing subject matter expert knowledge of required standards for related monitoring and financial standards set forth by HUD.
- Developing policies and procedures for various regulatory requirements associated with CDBG-DR and Stafford Act compliance, including:
 - Procurement;
 - Financial management;
 - Acquisition and relocation;
 - Duplication of benefits;
 - Labor standards compliance;
 - A-133 compliance;
 - Civil rights/nondiscrimination; and
 - HUD Section 3 compliance.
- Developing financial management policies and procedures to ensure compliance with regulatory requirements associated with CDBG-DR funds and Stafford Act.
- Developing and implementing compliance and monitoring plan to ensure compliance with applicable federal and state requirements.
- Developing fraud, waste, and abuse detection and prevention plan.

Texas Division of Emergency Management (TDEM)

Grant Monitoring, Compliance Reviews, and A-133 Audits

CohnReznick was recently awarded a contract to assist the TDEM's staff with fulfilling its disaster grant monitoring and administrative responsibilities (grant monitoring, compliance reviews, A-133 audits, and other administrative tasks). CohnReznick has been tasked to provide disaster recovery and hazard mitigation grant management and compliance monitoring for more than 3,000 Public Assistance and Hazard Mitigation Grant Program projects. Some of our responsibilities include:

- Perform complex grant coordination, financial and programmatic compliance, technical assistance, and administration work to plan, organize, and monitor federally funded disaster grants with the State of Texas.
- Ensure deadlines are met, applications or other documentation are complete and correct before submission to federal authorities, monitoring activities are conducted in accordance with the project guidelines, and payment requests are promptly and correctly processed.
- Review progress reports, payment requests, and provide guidance and assistance to grant recipients on documentation requirements and resolution of project related problems.
- Identify and flag potential duplicate service contracts and provide for fraud, waste, and abuse identification and remediation.
- Perform financial compliance reviews of sub-recipient projects, which will entail examining sub-recipient support documentation for subgrant expenditures, evaluating compliance with relevant statutes, regulations and OMB Circulars and grant agreements and report the results.

Mississippi Development Authority (MDA)

Program Management and Federal Block Grant Disaster Oversight

CohnReznick was the prime contractor for multiple MDA disaster recovery programs following Hurricane Katrina. We provided program management and oversight for the distribution of federal block grant disaster recovery funds for the MDA Homeowner Assistance Program, Small Rental Assistance Program, and the Mississippi Elevation Grant Program.

CohnReznick developed procedures and protocols to evaluate and process applications and award grant funds; implemented grants management systems; established application intake centers; hired and trained more than 400 local Mississippians; ensured compliance with federal and state regulations; and provided a means to track

and monitor the program and prevent fraud, waste, and abuse. CohnReznick was directly involved in the distribution of more than \$2.312 billion under this program. The program structure, personnel, and processes were multi-focused, but maintained oversight and responsibility for the seamless integration of HUD, FEMA, SBA, and state policy requirements. Some of our responsibilities included:

- Provided program management and oversight for the distribution of CDBG funds for the MDA Homeowner Assistance Program, Small Rental Assistance Program, and the Mississippi Elevation Grant Program which distributed \$2.312 billion to 28,165 grant applicants.
- Advised and assisted MDA in the development of programs that aligned policy, outreach, economic impact, implementation planning, production, audit, and reporting in a cost effective and timely manner.
- Developed a system of data collection, automated processes, and manual exception processes that ensured program accuracy, risk management, fraud prevention, and fiduciary responsibility.
- Created compliance guidelines and a governance model to facilitate long-term monitoring with HUD regulations and policy changes and ensure all work performed was in full compliance with federal, state, and local policies.
- Developed monitoring programs and checklists for the Small Rental Assistance Program that focused on the condition of the housing units that received assistance.
- Developed and implemented standard operating procedures and a complete guidebook with custom checklists for each recovery program.
- Provided subject matter expert knowledge of required standards for related monitoring and financial standards set forth by HUD and assured the success of each program through the evaluation of key processes to assure seamless alignment between policy, procedures, and systems.
- Managed the development of an automated grants processing system that integrated data from hundreds of stakeholders to ensure non-duplication of benefits and provided continual quality assurance, investigation, and internal audit functions, as well as real time tracking and reporting.
- Developed identity verification processes to more efficiently detect and prevent fraud, waste, and abuse; developed orientation and training program for staff.
- Conducted needs assessments, gap analysis and recommendations to improve business processes.

Texas Department of Housing and Community Affairs (TDHCA)

Grant Monitoring and Compliance

CohnReznick was engaged as a subcontractor in two federal disaster recovery grant programs that were a key part of the State of Texas' efforts to rebuild in the aftermath of Hurricanes Katrina, Wilma, and Rita. The purpose of these programs was to distribute approximately \$200 million in HUD CDBG-DR funds to Texas homeowners in grants or deferred forgivable loans to rehabilitate, reconstruct, or replace their homes. These programs were executed under the auspices of the TDHCA Homeowners Assistance Program and the Sabine Pass Restoration Program.

CohnReznick's scope of work for program administration included the people, processes, and tools to support determining and validating homeowner eligibility, calculation of program benefit amounts and management of the delivery of the funds. Some of our responsibilities included:

- Developed processes to determine/validate homeowner eligibility, calculate benefits, and manage delivery of over \$200 million in HUD CDBG funds to Texas homeowners in grants or deferred forgivable loans to rehabilitate, reconstruct, or replace their homes.
- Created quality control and quality assurance programs to ensure benefits were calculated corrected and payments are processed according to program policies.
- Developed a strong quality control environment, incorporating aggressive fraud prevention and detection.
- Conducted ongoing audit and monitoring functions to ensure compliance with federal and state laws and regulations, including HUD, FEMA, SBA, and local government requirements.
- Ensured compliance with federal requirements for financial reporting, accounting records, internal control, and budget control.
- Established processes to calculate benefits in compliance with Texas program requirements, CDBG, and all state and federal statutes (i.e., Stafford Act) and regulation compliance.
- Developed processes and checklists to facilitate long-term monitoring with HUD and state laws and regulations.
- Supported the management and distribution of funds between contractors, TDHCA, accounting and reporting software, HUD, and the homeowner.

DETAILED BUDGET

Summary

| Personnel | Labor Category | Contractual Hourly Rates | | | GRAND TOTALS | |
|--------------------|-------------------------------|--------------------------|-----------------------|-----------------------|--------------|-----------------|
| | | Year 1 | Year 2 | Year 3 | Hours | Cost |
| | | 5/14/2013 - 5/13/2014 | 5/14/2014 - 5/13/2015 | 5/14/2015 - 5/13/2016 | | |
| Paul Raffensperger | Partner/Principal/Director | \$ 274.75 | \$ 283.00 | \$ 291.48 | 4,000.00 | \$ 1,119,784.72 |
| Frank Banda | Program Manager | \$ 241.19 | \$ 248.43 | \$ 255.88 | 1,848.00 | \$ 446,414.16 |
| Jack Callahan | Program Manager | \$ 241.19 | \$ 248.43 | \$ 255.88 | 4,000.00 | \$ 983,002.32 |
| Rochell Cottingham | Project Manager | \$ 211.64 | \$ 217.99 | \$ 224.53 | 2,352.00 | \$ 501,587.28 |
| Shirley Poirrier | Project Manager | \$ 211.64 | \$ 217.99 | \$ 224.53 | 1,848.00 | \$ 391,720.32 |
| Dean Krogman | Project Manager | \$ 211.64 | \$ 217.99 | \$ 224.53 | 4,000.00 | \$ 862,561.36 |
| TBD | Project Manager | \$ 211.64 | \$ 217.99 | \$ 224.53 | 3,000.00 | \$ 645,994.40 |
| TBD | Subject Matter Expert | \$ 267.47 | \$ 275.50 | \$ 283.76 | 1,848.00 | \$ 495,055.44 |
| TBD | Subject Matter Expert | \$ 267.47 | \$ 275.50 | \$ 283.76 | 4,000.00 | \$ 1,090,112.08 |
| TBD | Supervisory/Senior Consultant | \$ 160.61 | \$ 165.43 | \$ 170.39 | 4,000.00 | \$ 654,584.80 |
| TBD | Supervisory/Senior Consultant | \$ 160.61 | \$ 165.43 | \$ 170.39 | 2,352.00 | \$ 380,646.72 |
| TBD | Supervisory/Senior Consultant | \$ 160.61 | \$ 165.43 | \$ 170.39 | 2,352.00 | \$ 380,646.72 |
| TBD | Supervisory/Senior Consultant | \$ 160.61 | \$ 165.43 | \$ 170.39 | 1,352.00 | \$ 217,607.44 |
| TBD | Supervisory/Senior Consultant | \$ 160.61 | \$ 165.43 | \$ 170.39 | 1,352.00 | \$ 217,607.44 |
| TBD | Consultant | \$ 137.66 | \$ 141.79 | \$ 146.04 | 4,000.00 | \$ 561,046.24 |
| TBD | Consultant | \$ 137.66 | \$ 141.79 | \$ 146.04 | 3,503.00 | \$ 492,625.09 |
| TBD | Consultant | \$ 137.66 | \$ 141.79 | \$ 146.04 | 3,000.00 | \$ 420,182.72 |
| TBD | Consultant | \$ 137.66 | \$ 141.79 | \$ 146.04 | 1,008.00 | \$ 138,761.28 |

Labor Totals = 49,815.00 \$ 9,999,940.53

Estimated Expenses = \$ 534,888.56

GRAND TOTAL COST = \$ 10,534,829.09

| Scope Area |
|---|
| A: Assist DCA in the development and implementation of a comprehensive compliance, monitoring and fraud prevention plan in conjunction with other DCA contractors/consultants. |
| B: Develop a risk assessment mechanism that will be used to assess compliance, operational and financial risks associated with all of DCA's projects and activities as described in DCA's HUD Action Plan that was attached to DCA's Engagement Query. |
| C: Conduct semi-annual risk assessments using the mechanism described in (b) above and make recommendations to DCA on how to eliminate or mitigate potential or identified risks. |
| D: Conduct HUD compliant agreed-upon procedures monitoring DCA sub-recipients and contractors. For comparative purposes, please base proposals on DCA's RREM contractors overseeing the rehabilitation, reconstruction, elevation and/or mitigation of 2,000 units. |
| E: Provide investigatory/audit/litigation support to DCA, as necessary. |

Labor Allocation Totals =

| Labor Cost Allocations | | |
|------------------------|------------------|------------------------|
| % of Effort | Hours | Cost |
| 20% | 9,963.00 | \$ 1,999,988.11 |
| 15% | 7,472.00 | \$ 1,499,940.89 |
| 10% | 4,980.00 | \$ 999,692.94 |
| 54% | 26,900.00 | \$ 5,399,947.81 |
| 1% | 500.00 | \$ 100,370.78 |
| 100% | 49,815.00 | \$ 9,999,940.53 |

Travel Expenses

Hourly Expense Costs

Based upon 40 Hour Work Week

| Item | Qty | Unit Price | Cost |
|--|-----|------------|-----------|
| Lodging | 4 | 119.00 | \$ 476.00 |
| Mileage | 350 | 0.31 | \$ 108.50 |
| 1st Day Meals & Incidental Expenses | 1 | 45.75 | \$ 45.75 |
| Standard Day Meals & Incidental Expenses | 3 | 61.00 | \$ 183.00 |
| Last Day Meals & Incidental Expenses | 1 | 45.75 | \$ 45.75 |

TOTAL \$ 859.00

Weekly Hours = 40.00

Expense per Hour = \$ 21.48

Approximate Utilization % = 50%

Estimated Expense per Hour = \$ 10.74

Full Detailed Budget

| Personnel | Labor Category | Contractual Hourly Rates | | | Applicable Hourly Rate | July 2013 | |
|--------------------|-------------------------------|---------------------------------|---------------------------------|---------------------------------|------------------------|---------------|--------------|
| | | Year 1 5/14/2013 - 5/13/2014 | Year 2 5/14/2014 - 5/13/2015 | Year 3 5/14/2015 - 5/13/2016 | | Period Totals | |
| | | | | | Hours | Cost | |
| Paul Raffensperger | Partner/Principal/Director | \$ 274.75 | \$ 283.00 | \$ 291.48 | \$ 274.75 | 160.00 | \$ 43,960.00 |
| Frank Banda | Program Manager | \$ 241.19 | \$ 248.43 | \$ 255.88 | \$ 241.19 | 160.00 | \$ 38,590.40 |
| Jack Callahan | Program Manager | \$ 241.19 | \$ 248.43 | \$ 255.88 | \$ 241.19 | 160.00 | \$ 38,590.40 |
| Rochell Cottingham | Project Manager | \$ 211.64 | \$ 217.99 | \$ 224.53 | \$ 211.64 | 160.00 | \$ 33,862.40 |
| Shirley Poirrier | Project Manager | \$ 211.64 | \$ 217.99 | \$ 224.53 | \$ 211.64 | 160.00 | \$ 33,862.40 |
| Dean Krogman | Project Manager | \$ 211.64 | \$ 217.99 | \$ 224.53 | \$ 211.64 | 160.00 | \$ 33,862.40 |
| TBD | Project Manager | \$ 211.64 | \$ 217.99 | \$ 224.53 | \$ 211.64 | | \$ - |
| TBD | Subject Matter Expert | \$ 267.47 | \$ 275.50 | \$ 283.76 | \$ 267.47 | 160.00 | \$ 42,795.20 |
| TBD | Subject Matter Expert | \$ 267.47 | \$ 275.50 | \$ 283.76 | \$ 267.47 | 160.00 | \$ 42,795.20 |
| TBD | Supervisory/Senior Consultant | \$ 160.61 | \$ 165.43 | \$ 170.39 | \$ 160.61 | 160.00 | \$ 25,697.60 |
| TBD | Supervisory/Senior Consultant | \$ 160.61 | \$ 165.43 | \$ 170.39 | \$ 160.61 | 160.00 | \$ 25,697.60 |
| TBD | Supervisory/Senior Consultant | \$ 160.61 | \$ 165.43 | \$ 170.39 | \$ 160.61 | 160.00 | \$ 25,697.60 |
| TBD | Supervisory/Senior Consultant | \$ 160.61 | \$ 165.43 | \$ 170.39 | \$ 160.61 | | \$ - |
| TBD | Supervisory/Senior Consultant | \$ 160.61 | \$ 165.43 | \$ 170.39 | \$ 160.61 | | \$ - |
| TBD | Consultant | \$ 137.66 | \$ 141.79 | \$ 146.04 | \$ 137.66 | 160.00 | \$ 22,025.60 |
| TBD | Consultant | \$ 137.66 | \$ 141.79 | \$ 146.04 | \$ 137.66 | | \$ - |
| TBD | Consultant | \$ 137.66 | \$ 141.79 | \$ 146.04 | \$ 137.66 | | \$ - |

Labor Totals 1,920.00 \$ 407,436.80

| Expense Hourly Rate | Hours | Estimated Expenses |
|---------------------|-------|--------------------|
|---------------------|-------|--------------------|

\$ 10.74 1,920.00 \$ 20,616.00

Total Cost = \$ 428,052.80

| Period: | August 2013 | | Period: | September 2013 | | Period: | October 2013 | |
|---------------------------|---------------------|-----------------------|---------------------------|---------------------|-----------------------|---------------------------|---------------------|-----------------------|
| Applicable Hourly Rate | Period Totals | | Applicable Hourly Rate | Period Totals | | Applicable Hourly Rate | Period Totals | |
| | Hours | Cost | | Hours | Cost | | Hours | Cost |
| \$ 274.75 | 176.00 | \$ 48,356.00 | \$ 274.75 | 160.00 | \$ 43,960.00 | \$ 274.75 | 184.00 | \$ 50,554.00 |
| \$ 241.19 | 176.00 | \$ 42,449.44 | \$ 241.19 | 160.00 | \$ 38,590.40 | \$ 241.19 | 184.00 | \$ 44,378.96 |
| \$ 241.19 | 176.00 | \$ 42,449.44 | \$ 241.19 | 160.00 | \$ 38,590.40 | \$ 241.19 | 184.00 | \$ 44,378.96 |
| \$ 211.64 | 176.00 | \$ 37,248.64 | \$ 211.64 | 160.00 | \$ 33,862.40 | \$ 211.64 | 184.00 | \$ 38,941.76 |
| \$ 211.64 | 176.00 | \$ 37,248.64 | \$ 211.64 | 160.00 | \$ 33,862.40 | \$ 211.64 | 184.00 | \$ 38,941.76 |
| \$ 211.64 | 176.00 | \$ 37,248.64 | \$ 211.64 | 160.00 | \$ 33,862.40 | \$ 211.64 | 184.00 | \$ 38,941.76 |
| \$ 211.64 | | \$ - | \$ 211.64 | | \$ - | \$ 211.64 | 184.00 | \$ 38,941.76 |
| \$ 267.47 | 176.00 | \$ 47,074.72 | \$ 267.47 | 160.00 | \$ 42,795.20 | \$ 267.47 | 184.00 | \$ 49,214.48 |
| \$ 267.47 | 176.00 | \$ 47,074.72 | \$ 267.47 | 160.00 | \$ 42,795.20 | \$ 267.47 | 184.00 | \$ 49,214.48 |
| \$ 160.61 | 176.00 | \$ 28,267.36 | \$ 160.61 | 160.00 | \$ 25,697.60 | \$ 160.61 | 184.00 | \$ 29,552.24 |
| \$ 160.61 | 176.00 | \$ 28,267.36 | \$ 160.61 | 160.00 | \$ 25,697.60 | \$ 160.61 | 184.00 | \$ 29,552.24 |
| \$ 160.61 | 176.00 | \$ 28,267.36 | \$ 160.61 | 160.00 | \$ 25,697.60 | \$ 160.61 | 184.00 | \$ 29,552.24 |
| \$ 160.61 | | \$ - | \$ 160.61 | | \$ - | \$ 160.61 | 184.00 | \$ 29,552.24 |
| \$ 160.61 | | \$ - | \$ 160.61 | | \$ - | \$ 160.61 | 184.00 | \$ 29,552.24 |
| \$ 137.66 | 176.00 | \$ 24,228.16 | \$ 137.66 | 160.00 | \$ 22,025.60 | \$ 137.66 | 184.00 | \$ 25,329.44 |
| \$ 137.66 | | \$ - | \$ 137.66 | | \$ - | \$ 137.66 | 184.00 | \$ 25,329.44 |
| \$ 137.66 | | \$ - | \$ 137.66 | | \$ - | \$ 137.66 | 184.00 | \$ 25,329.44 |
| | 2,112.00 | \$ 448,180.48 | | 1,920.00 | \$ 407,436.80 | | 3,312.00 | \$ 642,586.88 |
| Expense Hourly Rate | Hours | Estimated Expenses | Expense Hourly Rate | Hours | Estimated Expenses | Expense Hourly Rate | Hours | Estimated Expenses |
| \$ 10.74 | 2,112.00 | \$ 22,677.60 | \$ 10.74 | 1,920.00 | \$ 20,616.00 | \$ 10.74 | 3,312.00 | \$ 35,562.60 |
| | Total Cost = | \$ 470,858.08 | | Total Cost = | \$ 428,052.80 | | Total Cost = | \$ 678,149.48 |

| Period: | November 2013 | | Period: | December 2013 | | Period: | January 2014 | |
|---------------------------|---------------|--------------|---------------------------|---------------|--------------|---------------------------|---------------|--------------|
| Applicable Hourly Rate | Period Totals | | Applicable Hourly Rate | Period Totals | | Applicable Hourly Rate | Period Totals | |
| | Hours | Cost | | Hours | Cost | | Hours | Cost |
| \$ 274.75 | 152.00 | \$ 41,762.00 | \$ 274.75 | 168.00 | \$ 46,158.00 | \$ 274.75 | 176.00 | \$ 48,356.00 |
| \$ 241.19 | 152.00 | \$ 36,660.88 | \$ 241.19 | 168.00 | \$ 40,519.92 | \$ 241.19 | 176.00 | \$ 42,449.44 |
| \$ 241.19 | 152.00 | \$ 36,660.88 | \$ 241.19 | 168.00 | \$ 40,519.92 | \$ 241.19 | 176.00 | \$ 42,449.44 |
| \$ 211.64 | 152.00 | \$ 32,169.28 | \$ 211.64 | 168.00 | \$ 35,555.52 | \$ 211.64 | 176.00 | \$ 37,248.64 |
| \$ 211.64 | 152.00 | \$ 32,169.28 | \$ 211.64 | 168.00 | \$ 35,555.52 | \$ 211.64 | 176.00 | \$ 37,248.64 |
| \$ 211.64 | 152.00 | \$ 32,169.28 | \$ 211.64 | 168.00 | \$ 35,555.52 | \$ 211.64 | 176.00 | \$ 37,248.64 |
| \$ 211.64 | 152.00 | \$ 32,169.28 | \$ 211.64 | 168.00 | \$ 35,555.52 | \$ 211.64 | 176.00 | \$ 37,248.64 |
| \$ 267.47 | 152.00 | \$ 40,655.44 | \$ 267.47 | 168.00 | \$ 44,934.96 | \$ 267.47 | 176.00 | \$ 47,074.72 |
| \$ 267.47 | 152.00 | \$ 40,655.44 | \$ 267.47 | 168.00 | \$ 44,934.96 | \$ 267.47 | 176.00 | \$ 47,074.72 |
| \$ 160.61 | 152.00 | \$ 24,412.72 | \$ 160.61 | 168.00 | \$ 26,982.48 | \$ 160.61 | 176.00 | \$ 28,267.36 |
| \$ 160.61 | 152.00 | \$ 24,412.72 | \$ 160.61 | 168.00 | \$ 26,982.48 | \$ 160.61 | 176.00 | \$ 28,267.36 |
| \$ 160.61 | 152.00 | \$ 24,412.72 | \$ 160.61 | 168.00 | \$ 26,982.48 | \$ 160.61 | 176.00 | \$ 28,267.36 |
| \$ 160.61 | 152.00 | \$ 24,412.72 | \$ 160.61 | 168.00 | \$ 26,982.48 | \$ 160.61 | 176.00 | \$ 28,267.36 |
| \$ 160.61 | 152.00 | \$ 24,412.72 | \$ 160.61 | 168.00 | \$ 26,982.48 | \$ 160.61 | 176.00 | \$ 28,267.36 |
| \$ 160.61 | 152.00 | \$ 24,412.72 | \$ 160.61 | 168.00 | \$ 26,982.48 | \$ 160.61 | 176.00 | \$ 28,267.36 |
| \$ 137.66 | 152.00 | \$ 20,924.32 | \$ 137.66 | 168.00 | \$ 23,126.88 | \$ 137.66 | 176.00 | \$ 24,228.16 |
| \$ 137.66 | 152.00 | \$ 20,924.32 | \$ 137.66 | 168.00 | \$ 23,126.88 | \$ 137.66 | 176.00 | \$ 24,228.16 |
| \$ 137.66 | 152.00 | \$ 20,924.32 | \$ 137.66 | 168.00 | \$ 23,126.88 | \$ 137.66 | 176.00 | \$ 24,228.16 |

| | | | | | | | |
|-----------------|----------------------|--|-----------------|----------------------|--|-----------------|----------------------|
| 2,736.00 | \$ 530,832.64 | | 3,024.00 | \$ 586,709.76 | | 3,168.00 | \$ 614,648.32 |
|-----------------|----------------------|--|-----------------|----------------------|--|-----------------|----------------------|

| Expense Hourly Rate | Hours | Estimated Expenses | Expense Hourly Rate | Hours | Estimated Expenses | Expense Hourly Rate | Hours | Estimated Expenses |
|------------------------|----------|-----------------------|------------------------|----------|-----------------------|------------------------|----------|-----------------------|
| \$ 10.74 | 2,736.00 | \$ 29,377.80 | \$ 10.74 | 3,024.00 | \$ 32,470.20 | \$ 10.74 | 3,168.00 | \$ 34,016.40 |
| Total Cost = | | \$ 560,210.44 | Total Cost = | | \$ 619,179.96 | Total Cost = | | \$ 648,664.72 |

| Period: | February 2014 | | Period: | March 2014 | | Period: | April 2014 | |
|---------------------------|---------------------|-----------------------|---------------------------|---------------------|-----------------------|---------------------------|---------------------|-----------------------|
| Applicable Hourly Rate | Period Totals | | Applicable Hourly Rate | Period Totals | | Applicable Hourly Rate | Period Totals | |
| | Hours | Cost | | Hours | Cost | | Hours | Cost |
| \$ 274.75 | 160.00 | \$ 43,960.00 | \$ 274.75 | 168.00 | \$ 46,158.00 | \$ 274.75 | 176.00 | \$ 48,356.00 |
| \$ 241.19 | 160.00 | \$ 38,590.40 | \$ 241.19 | 168.00 | \$ 40,519.92 | \$ 241.19 | 176.00 | \$ 42,449.44 |
| \$ 241.19 | 160.00 | \$ 38,590.40 | \$ 241.19 | 168.00 | \$ 40,519.92 | \$ 241.19 | 176.00 | \$ 42,449.44 |
| \$ 211.64 | 160.00 | \$ 33,862.40 | \$ 211.64 | 168.00 | \$ 35,555.52 | \$ 211.64 | 176.00 | \$ 37,248.64 |
| \$ 211.64 | 160.00 | \$ 33,862.40 | \$ 211.64 | 168.00 | \$ 35,555.52 | \$ 211.64 | 176.00 | \$ 37,248.64 |
| \$ 211.64 | 160.00 | \$ 33,862.40 | \$ 211.64 | 168.00 | \$ 35,555.52 | \$ 211.64 | 176.00 | \$ 37,248.64 |
| \$ 211.64 | 160.00 | \$ 33,862.40 | \$ 211.64 | 168.00 | \$ 35,555.52 | \$ 211.64 | 176.00 | \$ 37,248.64 |
| \$ 267.47 | 160.00 | \$ 42,795.20 | \$ 267.47 | 168.00 | \$ 44,934.96 | \$ 267.47 | 176.00 | \$ 47,074.72 |
| \$ 267.47 | 160.00 | \$ 42,795.20 | \$ 267.47 | 168.00 | \$ 44,934.96 | \$ 267.47 | 176.00 | \$ 47,074.72 |
| \$ 160.61 | 160.00 | \$ 25,697.60 | \$ 160.61 | 168.00 | \$ 26,982.48 | \$ 160.61 | 176.00 | \$ 28,267.36 |
| \$ 160.61 | 160.00 | \$ 25,697.60 | \$ 160.61 | 168.00 | \$ 26,982.48 | \$ 160.61 | 176.00 | \$ 28,267.36 |
| \$ 160.61 | 160.00 | \$ 25,697.60 | \$ 160.61 | 168.00 | \$ 26,982.48 | \$ 160.61 | 176.00 | \$ 28,267.36 |
| \$ 160.61 | 160.00 | \$ 25,697.60 | \$ 160.61 | 168.00 | \$ 26,982.48 | \$ 160.61 | 176.00 | \$ 28,267.36 |
| \$ 160.61 | 160.00 | \$ 25,697.60 | \$ 160.61 | 168.00 | \$ 26,982.48 | \$ 160.61 | 176.00 | \$ 28,267.36 |
| \$ 137.66 | 160.00 | \$ 22,025.60 | \$ 137.66 | 168.00 | \$ 23,126.88 | \$ 137.66 | 176.00 | \$ 24,228.16 |
| \$ 137.66 | 160.00 | \$ 22,025.60 | \$ 137.66 | 168.00 | \$ 23,126.88 | \$ 137.66 | 176.00 | \$ 24,228.16 |
| \$ 137.66 | 160.00 | \$ 22,025.60 | \$ 137.66 | 168.00 | \$ 23,126.88 | \$ 137.66 | 176.00 | \$ 24,228.16 |
| | 2,880.00 | \$ 558,771.20 | | 3,024.00 | \$ 586,709.76 | | 2,992.00 | \$ 590,420.16 |
| Expense Hourly Rate | Hours | Estimated Expenses | Expense Hourly Rate | Hours | Estimated Expenses | Expense Hourly Rate | Hours | Estimated Expenses |
| \$ 10.74 | 2,880.00 | \$ 30,924.00 | \$ 10.74 | 3,024.00 | \$ 32,470.20 | \$ 10.74 | 2,992.00 | \$ 32,126.60 |
| | Total Cost = | \$ 589,695.20 | | Total Cost = | \$ 619,179.96 | | Total Cost = | \$ 622,546.76 |

| Period: | May 1 - 13, 2014 | | Period: | May 14 - 31, 2014 | | Period: | June 2014 | |
|---------------------------|------------------|--------------|---------------------------|-------------------|--------------|---------------------------|---------------|--------------|
| Applicable Hourly Rate | Period Totals | | Applicable Hourly Rate | Period Totals | | Applicable Hourly Rate | Period Totals | |
| | Hours | Cost | | Hours | Cost | | Hours | Cost |
| \$ 274.75 | 72.00 | \$ 19,782.00 | \$ 283.00 | 96.00 | \$ 27,168.00 | \$ 283.00 | 168.00 | \$ 47,544.00 |
| \$ 241.19 | 72.00 | \$ 17,365.68 | \$ 248.43 | 96.00 | \$ 23,849.28 | \$ 248.43 | | \$ - |
| \$ 241.19 | 72.00 | \$ 17,365.68 | \$ 248.43 | 96.00 | \$ 23,849.28 | \$ 248.43 | 168.00 | \$ 41,736.24 |
| \$ 211.64 | 72.00 | \$ 15,238.08 | \$ 217.99 | 96.00 | \$ 20,927.04 | \$ 217.99 | 168.00 | \$ 36,622.32 |
| \$ 211.64 | 72.00 | \$ 15,238.08 | \$ 217.99 | 96.00 | \$ 20,927.04 | \$ 217.99 | | \$ - |
| \$ 211.64 | 72.00 | \$ 15,238.08 | \$ 217.99 | 96.00 | \$ 20,927.04 | \$ 217.99 | 168.00 | \$ 36,622.32 |
| \$ 211.64 | 72.00 | \$ 15,238.08 | \$ 217.99 | 96.00 | \$ 20,927.04 | \$ 217.99 | 168.00 | \$ 36,622.32 |
| \$ 267.47 | 72.00 | \$ 19,257.84 | \$ 275.50 | 96.00 | \$ 26,448.00 | \$ 275.50 | | \$ - |
| \$ 267.47 | 72.00 | \$ 19,257.84 | \$ 275.50 | 96.00 | \$ 26,448.00 | \$ 275.50 | 168.00 | \$ 46,284.00 |
| \$ 160.61 | 72.00 | \$ 11,563.92 | \$ 165.43 | 96.00 | \$ 15,881.28 | \$ 165.43 | 168.00 | \$ 27,792.24 |
| \$ 160.61 | 72.00 | \$ 11,563.92 | \$ 165.43 | 96.00 | \$ 15,881.28 | \$ 165.43 | 168.00 | \$ 27,792.24 |
| \$ 160.61 | 72.00 | \$ 11,563.92 | \$ 165.43 | 96.00 | \$ 15,881.28 | \$ 165.43 | 168.00 | \$ 27,792.24 |
| \$ 160.61 | 72.00 | \$ 11,563.92 | \$ 165.43 | 96.00 | \$ 15,881.28 | \$ 165.43 | | \$ - |
| \$ 160.61 | 72.00 | \$ 11,563.92 | \$ 165.43 | 96.00 | \$ 15,881.28 | \$ 165.43 | | \$ - |
| \$ 137.66 | 72.00 | \$ 9,911.52 | \$ 141.79 | 96.00 | \$ 13,611.84 | \$ 141.79 | 168.00 | \$ 23,820.72 |
| \$ 137.66 | 72.00 | \$ 9,911.52 | \$ 141.79 | 96.00 | \$ 13,611.84 | \$ 141.79 | 168.00 | \$ 23,820.72 |
| \$ 137.66 | 72.00 | \$ 9,911.52 | \$ 141.79 | 96.00 | \$ 13,611.84 | \$ 141.79 | 168.00 | \$ 23,820.72 |

| | | | | | | | |
|-----------------|----------------------|--|-----------------|----------------------|--|-----------------|----------------------|
| 1,224.00 | \$ 241,535.52 | | 1,632.00 | \$ 331,712.64 | | 2,016.00 | \$ 400,270.08 |
|-----------------|----------------------|--|-----------------|----------------------|--|-----------------|----------------------|

| Expense Hourly Rate | Hours | Estimated Expenses | Expense Hourly Rate | Hours | Estimated Expenses | Expense Hourly Rate | Hours | Estimated Expenses |
|------------------------|----------|-----------------------|------------------------|----------|-----------------------|------------------------|----------|-----------------------|
| \$ 10.74 | 1,224.00 | \$ 13,142.70 | \$ 10.74 | 1,632.00 | \$ 17,523.60 | \$ 10.74 | 2,016.00 | \$ 21,646.80 |
| Total Cost = | | \$ 254,678.22 | Total Cost = | | \$ 349,236.24 | Total Cost = | | \$ 421,916.88 |

| Period: | July 2014 | | Period: | August 2014 | | Period: | September 2014 | |
|---------------------------|---------------------|-----------------------|---------------------------|---------------------|-----------------------|---------------------------|---------------------|-----------------------|
| Applicable Hourly Rate | Period Totals | | Applicable Hourly Rate | Period Totals | | Applicable Hourly Rate | Period Totals | |
| | Hours | Cost | | Hours | Cost | | Hours | Cost |
| \$ 283.00 | 176.00 | \$ 49,808.00 | \$ 283.00 | 160.00 | \$ 45,280.00 | \$ 283.00 | 168.00 | \$ 47,544.00 |
| \$ 248.43 | | \$ - | \$ 248.43 | | \$ - | \$ 248.43 | | \$ - |
| \$ 248.43 | 176.00 | \$ 43,723.68 | \$ 248.43 | 160.00 | \$ 39,748.80 | \$ 248.43 | 168.00 | \$ 41,736.24 |
| \$ 217.99 | 176.00 | \$ 38,366.24 | \$ 217.99 | 160.00 | \$ 34,878.40 | \$ 217.99 | | \$ - |
| \$ 217.99 | | \$ - | \$ 217.99 | | \$ - | \$ 217.99 | | \$ - |
| \$ 217.99 | 176.00 | \$ 38,366.24 | \$ 217.99 | 160.00 | \$ 34,878.40 | \$ 217.99 | 168.00 | \$ 36,622.32 |
| \$ 217.99 | 176.00 | \$ 38,366.24 | \$ 217.99 | 160.00 | \$ 34,878.40 | \$ 217.99 | 168.00 | \$ 36,622.32 |
| \$ 275.50 | | \$ - | \$ 275.50 | | \$ - | \$ 275.50 | | \$ - |
| \$ 275.50 | 176.00 | \$ 48,488.00 | \$ 275.50 | 160.00 | \$ 44,080.00 | \$ 275.50 | 168.00 | \$ 46,284.00 |
| \$ 165.43 | 176.00 | \$ 29,115.68 | \$ 165.43 | 160.00 | \$ 26,468.80 | \$ 165.43 | 168.00 | \$ 27,792.24 |
| \$ 165.43 | 176.00 | \$ 29,115.68 | \$ 165.43 | 160.00 | \$ 26,468.80 | \$ 165.43 | | \$ - |
| \$ 165.43 | 176.00 | \$ 29,115.68 | \$ 165.43 | 160.00 | \$ 26,468.80 | \$ 165.43 | | \$ - |
| \$ 165.43 | | \$ - | \$ 165.43 | | \$ - | \$ 165.43 | | \$ - |
| \$ 165.43 | | \$ - | \$ 165.43 | | \$ - | \$ 165.43 | | \$ - |
| \$ 141.79 | 176.00 | \$ 24,955.04 | \$ 141.79 | 160.00 | \$ 22,686.40 | \$ 141.79 | 168.00 | \$ 23,820.72 |
| \$ 141.79 | 176.00 | \$ 24,955.04 | \$ 141.79 | 160.00 | \$ 22,686.40 | \$ 141.79 | 168.00 | \$ 23,820.72 |
| \$ 141.79 | 176.00 | \$ 24,955.04 | \$ 141.79 | 160.00 | \$ 22,686.40 | \$ 141.79 | 168.00 | \$ 23,820.72 |
| | 2,112.00 | \$ 419,330.56 | | 1,920.00 | \$ 381,209.60 | | 1,512.00 | \$ 308,063.28 |
| Expense Hourly Rate | Hours | Estimated Expenses | Expense Hourly Rate | Hours | Estimated Expenses | Expense Hourly Rate | Hours | Estimated Expenses |
| \$ 10.74 | 2,112.00 | \$ 22,677.60 | \$ 10.74 | 1,920.00 | \$ 20,616.00 | \$ 10.74 | 1,512.00 | \$ 16,235.10 |
| | Total Cost = | \$ 442,008.16 | | Total Cost = | \$ 401,825.60 | | Total Cost = | \$ 324,298.38 |

| Period: | January 2015 | | Period: | February 2015 | | Period: | March 2015 | |
|---------------------------|---------------------|-----------------------|---------------------------|---------------------|-----------------------|---------------------------|---------------------|-----------------------|
| Applicable Hourly Rate | Period Totals | | Applicable Hourly Rate | Period Totals | | Applicable Hourly Rate | Period Totals | |
| | Hours | Cost | | Hours | Cost | | Hours | Cost |
| \$ 283.00 | 160.00 | \$ 45,280.00 | \$ 283.00 | 160.00 | \$ 45,280.00 | \$ 283.00 | 176.00 | \$ 49,808.00 |
| \$ 248.43 | | \$ - | \$ 248.43 | | \$ - | \$ 248.43 | | \$ - |
| \$ 248.43 | 160.00 | \$ 39,748.80 | \$ 248.43 | 160.00 | \$ 39,748.80 | \$ 248.43 | 176.00 | \$ 43,723.68 |
| \$ 217.99 | | \$ - | \$ 217.99 | | \$ - | \$ 217.99 | | \$ - |
| \$ 217.99 | | \$ - | \$ 217.99 | | \$ - | \$ 217.99 | | \$ - |
| \$ 217.99 | 160.00 | \$ 34,878.40 | \$ 217.99 | 160.00 | \$ 34,878.40 | \$ 217.99 | 176.00 | \$ 38,366.24 |
| \$ 217.99 | 160.00 | \$ 34,878.40 | \$ 217.99 | 160.00 | \$ 34,878.40 | \$ 217.99 | 176.00 | \$ 38,366.24 |
| \$ 275.50 | | \$ - | \$ 275.50 | | \$ - | \$ 275.50 | | \$ - |
| \$ 275.50 | 160.00 | \$ 44,080.00 | \$ 275.50 | 160.00 | \$ 44,080.00 | \$ 275.50 | 176.00 | \$ 48,488.00 |
| \$ 165.43 | 160.00 | \$ 26,468.80 | \$ 165.43 | 160.00 | \$ 26,468.80 | \$ 165.43 | 176.00 | \$ 29,115.68 |
| \$ 165.43 | | \$ - | \$ 165.43 | | \$ - | \$ 165.43 | | \$ - |
| \$ 165.43 | | \$ - | \$ 165.43 | | \$ - | \$ 165.43 | | \$ - |
| \$ 165.43 | | \$ - | \$ 165.43 | | \$ - | \$ 165.43 | | \$ - |
| \$ 165.43 | | \$ - | \$ 165.43 | | \$ - | \$ 165.43 | | \$ - |
| \$ 141.79 | 160.00 | \$ 22,686.40 | \$ 141.79 | 160.00 | \$ 22,686.40 | \$ 141.79 | 176.00 | \$ 24,955.04 |
| \$ 141.79 | 160.00 | \$ 22,686.40 | \$ 141.79 | 160.00 | \$ 22,686.40 | \$ 141.79 | 176.00 | \$ 24,955.04 |
| \$ 141.79 | 160.00 | \$ 22,686.40 | \$ 141.79 | 160.00 | \$ 22,686.40 | \$ 141.79 | 176.00 | \$ 24,955.04 |
| | 1,440.00 | \$ 293,393.60 | | 1,440.00 | \$ 293,393.60 | | 1,584.00 | \$ 322,732.96 |
| Expense Hourly Rate | Hours | Estimated Expenses | Expense Hourly Rate | Hours | Estimated Expenses | Expense Hourly Rate | Hours | Estimated Expenses |
| \$ 10.74 | 1,440.00 | \$ 15,462.00 | \$ 10.74 | 1,440.00 | \$ 15,462.00 | \$ 10.74 | 1,584.00 | \$ 17,008.20 |
| | Total Cost = | \$ 308,855.60 | | Total Cost = | \$ 308,855.60 | | Total Cost = | \$ 339,741.16 |

| Period: | June 2015 | |
|------------------------|---------------|--------------|
| Applicable Hourly Rate | Period Totals | |
| | Hours | Cost |
| \$ 291.48 | 176.00 | \$ 51,300.48 |
| \$ 255.88 | | \$ - |
| \$ 255.88 | 176.00 | \$ 45,034.88 |
| \$ 224.53 | | \$ - |
| \$ 224.53 | | \$ - |
| \$ 224.53 | 176.00 | \$ 39,517.28 |
| \$ 224.53 | | \$ - |
| \$ 283.76 | | \$ - |
| \$ 283.76 | 176.00 | \$ 49,941.76 |
| \$ 170.39 | 176.00 | \$ 29,988.64 |
| \$ 170.39 | | \$ - |
| \$ 170.39 | | \$ - |
| \$ 170.39 | | \$ - |
| \$ 170.39 | | \$ - |
| \$ 146.04 | 176.00 | \$ 25,703.04 |
| \$ 146.04 | 176.00 | \$ 25,703.04 |
| \$ 146.04 | | \$ - |

| | | |
|--|-----------------|----------------------|
| | 1,232.00 | \$ 267,189.12 |
|--|-----------------|----------------------|

| Expense Hourly Rate | Hours | Estimated Expenses |
|---------------------|-------------|--------------------|
| \$ 10.74 | \$ 1,232.00 | 13,228.60 |

| | |
|---------------------|----------------------|
| Total Cost = | \$ 280,417.72 |
|---------------------|----------------------|

| GRAND TOTALS | |
|-----------------|------------------------|
| Hours | Cost |
| 4,000.00 | \$ 1,119,784.72 |
| 1,848.00 | \$ 446,414.16 |
| 4,000.00 | \$ 983,002.32 |
| 2,352.00 | \$ 501,587.28 |
| 1,848.00 | \$ 391,720.32 |
| 4,000.00 | \$ 862,561.36 |
| 3,000.00 | \$ 645,994.40 |
| 1,848.00 | \$ 495,055.44 |
| 4,000.00 | \$ 1,090,112.08 |
| 4,000.00 | \$ 654,584.80 |
| 2,352.00 | \$ 380,646.72 |
| 2,352.00 | \$ 380,646.72 |
| 1,352.00 | \$ 217,607.44 |
| 1,352.00 | \$ 217,607.44 |
| 4,000.00 | \$ 561,046.24 |
| 3,503.00 | \$ 492,625.09 |
| 3,000.00 | \$ 420,182.72 |

| | |
|------------------|------------------------|
| 49,815.00 | \$ 9,999,940.53 |
|------------------|------------------------|

| |
|---------------------------|
| Estimated Expenses |
|---------------------------|

| |
|----------------------|
| \$ 534,888.56 |
|----------------------|

GRAND TOTAL COST = \$ 10,534,829.09

APPENDIX A

Example from Louisiana's Office of Community Development Disaster Recovery Unit

CohnReznick has obtained permission from Louisiana OCD/DRU's Compliance Manager to include the example Monitoring Plan as part of our submission.



*Office of Community Development/Disaster Recovery Unit
Long-Term Compliance and Monitoring Plan*

Revised November 19, 2012

OCD/DRU Long-Term Compliance and Monitoring Plan

Contents

| | |
|---|-----------|
| 1. Introduction | 1 |
| 2. Terminology | 2 |
| 3. Methodology | 3 |
| 3.1 Risk Assessment and Monitoring Prioritization/Scheduling | 3 |
| 3.1.1 Grantee/Subrecipient Risk Assessment..... | 4 |
| 3.1.2 Project/Program Risk Assessment..... | 4 |
| 3.2 Executing the Monitoring Review | 5 |
| 3.2.1 Select the Project Sample | 6 |
| 3.2.2 Send Monitoring Notification | 7 |
| 3.2.3 Prepare for Onsite Review/ Perform Desk Review | 7 |
| 3.2.4 Execute Onsite Review | 7 |
| 3.2.5 Send Monitoring Letter | 7 |
| 3.2.6 Corrective Action | 8 |
| 3.2.7 Technical Assistance | 9 |
| 3.2.8 Follow-up | 9 |
| 4. Monitoring Roles and Responsibilities | 9 |
| 4.1 Monitoring Roles and Responsibilities | 10 |
| 5. Monitoring Tools | 12 |
| 5.1 Core Checklist..... | 12 |
| 5.2 Project Checklist | 13 |
| 5.2.1 Selecting a Sample to Execute the Project Checklist | 13 |
| 5.3 Level 2 Contractor Checklist | 14 |
| 6. Monitoring Relationships and Use of Monitoring Tools | 16 |
| 6.1.1 Project/Program Administered by a Local Grantee/Subrecipient to the State | 16 |
| 6.1.2 Program/Project Administered by OCD/DRU | 16 |
| 6.1.3 Program/Project Implemented by a Contractor to the State | 17 |
| 7. Performance Monitoring | 17 |

Exhibits

- Exhibit 1 Grantee/Subrecipient Risk Assessment Template
- Exhibit 2 Project/Program Risk Assessment Template
- Exhibit 3 Project Selection Justification Form
- Exhibit 4 Monitoring Notification Letter Template
- Exhibit 5 Entrance Conference Agenda Template
- Exhibit 6 Core Checklist
- Exhibit 7 Project Checklist
- Exhibit 8 Project Worksheets
- Exhibit 9 Monitoring Report Delay Template
- Exhibit 10 Monitoring Letter Template
- Exhibit 11 Monitoring No Response Letter Template
- Exhibit 12 Corrective Actions Complete Letter Template
- Exhibit 13 Contractor Monitoring Level 2 Checklist
- Exhibit 14 Performance Monitoring Milestones

1. Introduction

Hurricanes Katrina, Rita, Gustav and Ike were among the deadliest, most costly disasters to ever hit the State of Louisiana. To aid with the recovery effort, the U.S. Congress appropriated Community Development Block Grant (CDBG) funds for the State of Louisiana through various public laws. The total appropriation amounts for Hurricanes Katrina and Rita were \$13.4 billion. An additional \$6.5 billion was appropriated for the recovery efforts after Hurricanes Gustav and Ike. The Office of Community Development/Disaster Recovery Unit (OCD/DRU) was tasked with administering these CDBG Disaster Recovery funds through various housing, economic development, planning, and infrastructure programs as described within each Disaster Recovery Action Plan and Action Plan amendment.

Grantees are responsible for carrying out their programs to meet these compliance requirements, including monitoring their project administrators, contractors and subcontractors. The Department of Housing and Urban Development (HUD) requires monitoring and evaluation of recipient performance and compliance with Disaster Recovery CDBG program, statutory and regulatory requirements. CDBG regulation (24 CFR 570.501(b)) states that:

“[The grantee] is responsible for ensuring that CDBG funds are used in accordance with all program requirements. The use of designated public agencies, Subrecipients, or contractors does not relieve the recipient of this responsibility. The recipient is also responsible for determining the adequacy of performance under Subrecipient agreements and procurement contracts, and for taking appropriate action when performance problems arise...”¹

The monitoring process has three primary objectives:

1. First, it is a process to gauge the overall program progress and effectiveness of the contractors, State Grantees, Local Grantees and/or Subrecipients, as applicable, in meeting the program objectives, goals and requirements articulated in the Binding Agreement(s).
2. Second, it serves as a management tool to identify issues that may compromise program integrity, funding, and service delivery for corrective action and resolution.
3. Third, it serves as a technical assistance tool to identify areas in which to strengthen program capacity and quality of service delivery.

Monitoring is designed to make sure that programs are operating efficiently and effectively and that Disaster Recovery CDBG funds are being used appropriately. Monitoring may occasionally identify situations where certain activities or the absence of certain activities raise an issue of concern or violate program or statutory requirements. A finding of deficiency is noted when there is evidence that a statute, regulation or requirement has been violated. If compliance is not possible, monetary or administrative sanctions may be imposed upon the Grantee, the OCD/DRU or both.

The OCD/DRU's standardized Long-Term Monitoring Plan allows program monitoring to be tailored for monitoring any State or Local Grantee (Parish or municipality) implemented programs and projects. The

¹ **Managing CDBG** A Guidebook for Grantees on Subrecipient Oversight, Chapter 5-2

OCD/DRU Long-Term Compliance and Monitoring Plan

Plan uses checklists which include compliance areas applicable to all program/project types, but all sections of the checklists may not apply to every program or project. The Monitor should reference the OCD/DRU Disaster Recovery CDBG Administrative Manual (located at <http://www.doa.louisiana.gov/cdbg/dr/dradmin-manual.htm>) for guidance related to the topics covered within each of the monitoring checklists.

2. Terminology

The following terms are used throughout this document:

1. **Binding Agreement** – An agreement that, pursuant to state and HUD regulations, obligates the parties to expend or distribute federal funds and undertake responsibilities as set forth in the agreement. For the purposes of this monitoring plan, Binding Agreements include Cooperative Endeavor Agreements, Interagency Agreements, and Contracts with procured agencies, commercial concerns, or Program Beneficiaries.
4. **Community Development Block Grant (CDBG)** – Type of grant provided through HUD to address a wide range of community development needs.
5. **Compliance Manager** – The lead member of the OCD/DRU Compliance and Monitoring Team who is responsible for ensuring adequate monitoring occurs for all OCD/DRU programs.
6. **Compliance Analyst** – The OCD/DRU staff who manages compliance activities for all OCD/DRU programs and projects.
7. **Contract Administrator** – The individual responsible for ensuring that services outlined in the contract are performed adequately, within a specific time frame, and within budget.
8. **Contractor** – An entity competitively selected to provide clearly-specified goods or services. The contract price is established through the procurement process. CDBG funds are paid to the contractor as compensation for the satisfactory provision of the goods and services as specified in the contract.
9. **Cooperative Endeavor Agreement (CEA)** – A Binding Agreement between a State Agency and another State Agency, Local Entity or Non-profit group.
10. **Disaster Recovery Community Development Block Grant (DR CDBG)** – Supplemental funding appropriated by Congress in response to disasters in the form of CDBG Disaster Recovery assistance.
11. **Grantee** – The Parish or Municipality that has a binding agreement in place with the OCD/DRU to administer the Disaster Recovery CDBG program(s) and/or project(s).
12. **Interagency Agreement (IA)** – A Binding Agreement entered into by two State Agencies.
13. **Level 1 Monitoring** – Oversight Monitoring.
14. **Level 2 Monitoring** – Monitoring of Contractors, Grantees and/or direct Subrecipients performed by the Program Analyst.
15. **Level 3 Monitoring** – Monitoring performed by Grantees or Subrecipients.
16. **Local Grantee** – The local parish or city receiving CDBG funds directly from the OCD/DRU.
17. **Monitored Entity** – The State Agency, OCD/DRU Department, Contractor, or Local Grantee (Parish/Municipality) that is evaluated during a monitoring review.
18. **OCD/DRU** – Denotes the State of Louisiana Division of Administration, Office of Community Development/Disaster Recovery Unit.

19. **Process Lead** – The OCD/DRU staff person who tracks all compliance monitoring efforts and provides technical assistance to Compliance and Program Analysts during onsite monitoring reviews.
20. **Program Analyst** – The OCD/DRU staff who manages the day-to-day activities for a specific Disaster Recovery Grant Program/Project. The Program Analyst reports to the SPM over the specific Program.
21. **Project** – The housing, infrastructure, economic development, or planning endeavor undertaken by the Grantee.
22. **State Program Manager (SPM)** – The individual designated by the OCD/DRU to manage and administer a Disaster Recovery Grant Program.
23. **Subrecipient** – A public or private nonprofit agency, authority or organization that is provided CDBG funds for use in carrying out agreed-upon eligible activities.
24. **U.S. Department of Housing and Urban Development (HUD)** – The federal agency providing administration and oversight of CDBG funding.

3. Methodology

The OCD/DRU's monitoring strategy includes the use of desk reviews and onsite monitoring. During the reviews, the Analyst may sample program, project, contractor, or Subrecipient documentation to draw conclusions about the monitored entity's performance or to validate the monitored entity's capacity to complete the program(s) in a timely, efficient, economical, and effective manner. The monitoring process is performed based on priority, which is typically determined based on the results of a risk assessment.

Quarterly, the Process Lead will identify the entities to be monitored based on the results of the risk assessments and the threshold established (i.e., percentage of funds expended, total allocation, number of projects). The Compliance Manager and Process Lead, in conjunction with the Program Managers and other stakeholders, will prioritize the entities based on known information and staffing availability. At this point, additional entities may be added to the monitoring schedule to accommodate changing monitoring priorities.

3.1 Risk Assessment and Monitoring Prioritization/Scheduling

The priority of reviews can be based on either the Grantee/Subrecipient Risk or the Project Risk:

1. Grantees identified as "high risk" (per Section 3.1.1) would be monitored first; or,
2. Grantees with the most "high risk" projects (as identified by the risk assessment within Section 3.1.2) would be monitored first.

The population of Grantees/projects may be limited by establishing a specific threshold (i.e., percentage of funds expended, total allocation, number of projects, etc.). Additionally, in lieu of reviewing 100% of projects, a sample will be selected for review using the methodology described in Section 3.2.1.

The prioritization/scheduling approach should be documented prior to initiating the reviews.

To execute a risk assessment, the following steps should be followed:

1. Complete assessment based on risk criteria and thresholds (see Section 3.1.1 and 3.1.2).
2. Each criterion should be scored as high, medium, or low risk for each entity within the set (Grantee, Subrecipient, Project, Program).
3. Combine the risk criterion scores for each entity within the set to determine the overall risk level.

OCD/DRU Long-Term Compliance and Monitoring Plan

Once the risk assessment is completed for all entities within the set, the monitoring reviews should be prioritized so that high-risk entities (Grantee, Subrecipient, Project, Program) are monitored first. Reviews should be grouped by Grantee to minimize the number of visits throughout the year. The Grantee or Subrecipient should be monitored (using the Core Checklist) prior to or simultaneously with monitoring of their projects/programs.

After the initial monitoring visit, additional monitoring (onsite or desk) should be performed for all active Grantees, Subrecipients, programs and/or projects through closeout. Additional reviews of programs/projects requiring follow-up activities and/or corrective actions should take precedence over those not requiring such actions. The program/project risk should also be taken into account when scheduling additional reviews. Risk assessment results may be used to identify specific areas of concern and to determine the prioritization or frequency of onsite reviews.

3.1.1 Grantee/Subrecipient Risk Assessment

A desk review should be performed for each Grantee/Subrecipient soon after the binding agreement has been executed to verify initial performance and identify any technical assistance needs. However, if multiple Grantees or Subrecipients are engaged to implement the projects/programs, the monitoring reviews can be prioritized by executing the risk assessment template included as Exhibit 1 and described in Table 1.

Table 1 Grantee/Subrecipient Risk Assessment Criteria

| Criteria | Description | High Risk | Medium Risk | Low Risk |
|--------------------------|---|---|---|---|
| Funding | Grantee's total amount of <u>funds remaining</u> to be disbursed from all combined Disaster CDBG allocations. | 7 Points | 5 Points | 3 Points |
| | | \$200,000+ | \$100,000 - \$199,000 | Less than \$100,000 |
| Risk/ Number of Projects | The number and type of approved projects. | 5 Points | 3 Points | 1 Points |
| | | 20+ Projects or 7+ High-Risk Projects | 10-19 Projects or 5+ High-Risk Projects | 9 or Fewer Projects or Less than 5 High-Risk Projects |
| Implementation Method | The Grantee's use of Subrecipients, consultants, or internal staff to carry out their programs/projects. | 7 Points | 5 Points | 3 Points |
| | | Subrecipient | Grantee Staff | Consultant |
| Relevant Experience | The Grantee's experience of administering CDBG funds. | 5 Point | 3 Points | 1 Point |
| | | No Experience | 1 to 3 Years of Experience | 4+ Years of Experience |
| Compliance History | The Grantee's past compliance with federally funded programs. | 5 Point | 3 Points | 1 Point |
| | | No past monitoring or severe deficiencies were revealed | Evidence of prior monitoring; deficiencies noted, but none severe | Evidence of prior monitoring; no deficiencies noted |

High Risk: 29 – 22 Points Medium Risk: 21- 15 Points Low Risk : Less than 15 Points

3.1.2 Project/Program Risk Assessment

Projects/Programs for each Grantee or Subrecipient should be prioritized based on the results of the risk assessment described in Table 2. The risk assessment template is included as Exhibit 2.

OCD/DRU Long-Term Compliance and Monitoring Plan

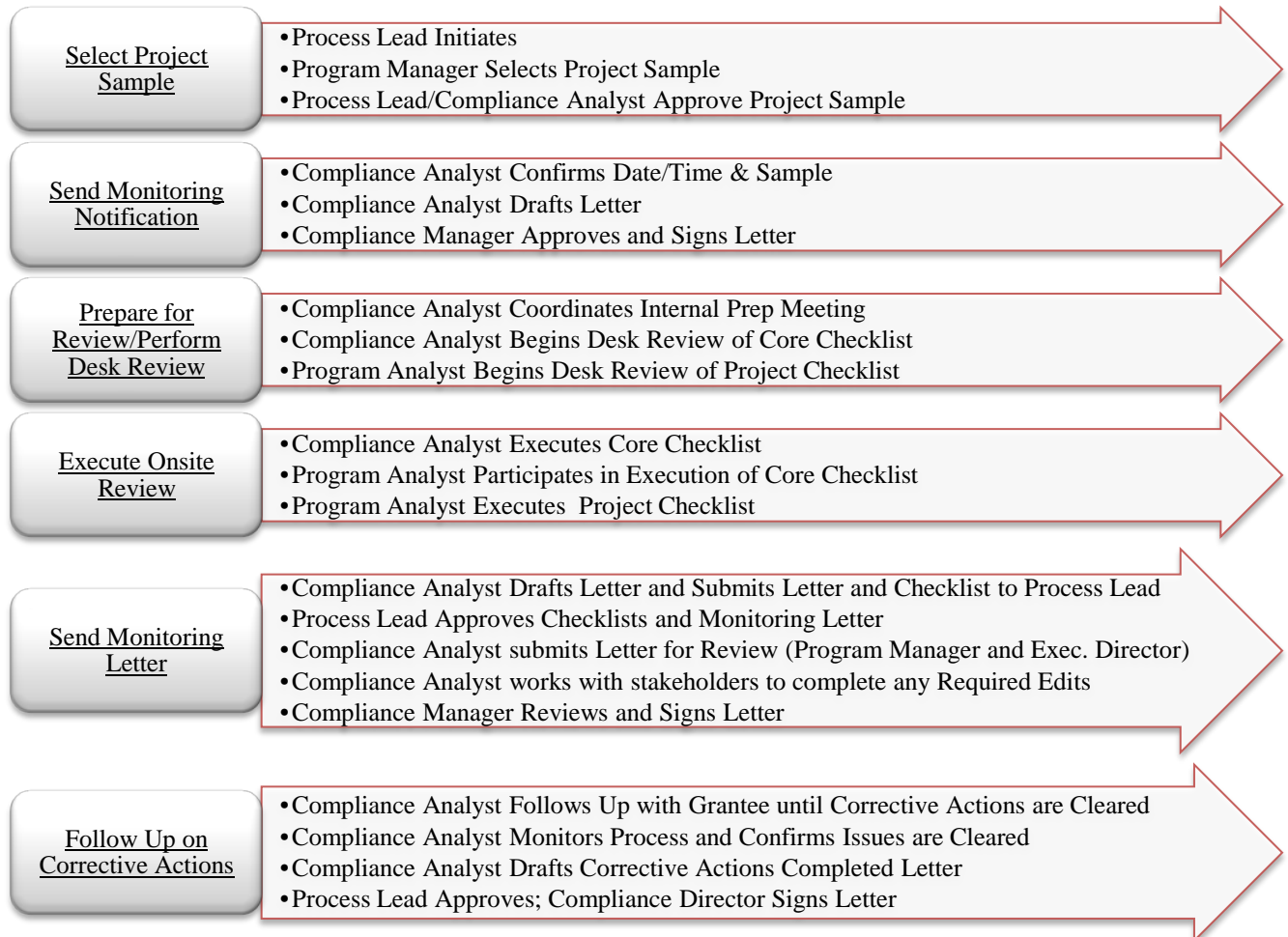
Table 2 Project/ Program Risk Assessment

| Criteria | Description | High Risk | Medium Risk | Low Risk |
|--------------------------|--|--------------------------------|----------------------------|------------------------|
| Total DR-CDBG Allocation | The total DR-CDBG provided to execute the Project. | 5 | 3 | 1 |
| | | \$250,000+ | \$150,000 - \$249,999 | Less than \$150,000 |
| Complexity | The activities associated with the project or program. | 5 | 3 | 1 |
| | | Project Involving Construction | Loan or Grant Project | Other Project Types |
| Implementation | The entity who is implementing the project. | 12 | 8 | 4 |
| | | Subrecipient | Grantee Staff | Consultant |
| Relevant Experience | The entity who is implementing the project or program's experience implementing a similar type project or program. | 8 | 5 | 3 |
| | | No Experience | 1 to 3 Years of Experience | 4+ Years of Experience |

High Risk: 30 – 22 Points Medium Risk: 21- 15 Points Low Risk : Less than 15 Points

3.2 Executing the Monitoring Review

The steps illustrated in the diagram below and described in the subsequent sections provide the high-level process for executing a monitoring review. The roles and responsibilities associated with these steps are described within Section 4, Monitoring Roles and Responsibilities.



3.2.1 Select the Project Sample

To initiate monitoring, the OCD/DRU will initially limit the population to those projects where 95% or more funds have been expended. The Process Lead will initiate the Project Sample Selection process by providing a list of projects that meet the predefined threshold to the Program Manager. The Program Manager will complete the Project Selection Justification Form (see Exhibit 3) and provide a copy to the Process Lead.

Program Managers select a sample of projects to be reviewed using the following methodology:

1. Number of Projects
 - a. If five or fewer projects are within the monitoring population, two projects should be reviewed, if applicable.
 - b. If six or more projects are within the monitoring population, three projects should be reviewed, as applicable.

Note: No more than three projects should be reviewed during a monitoring review, unless the stakeholders agree on staff availability.

2. Types of Projects
 - a. Different types of projects (infrastructure, housing, planning, and economic development) meeting the expenditure threshold should be reviewed.
 - b. High Risk Projects should be included in the sample, as applicable.
 - c. Gustav/Ike and Katrina/Rita projects meeting the expenditure threshold (95%) should be included in the sample, as applicable.
 - d. Projects implemented by an entity without a contractual relationship with the OCD/DRU (i.e. a Grantee's Subrecipient) should NOT be included within the Project Sample.

Additional projects may be added to the sample selection, as deemed necessary by the Analysts (e.g., reviewing projects with previous audit findings). However, no more than three projects should be reviewed during one review. Program Managers must provide justification for each project selected for the sample, and the Process Lead approves the project sample prior to the Compliance Analyst sending the Notification Letter. If additional projects need to be reviewed, the Program Manager can request that an additional review be included in the follow-up review cycle.

If projects that fall outside of the 95% or more expended population are added, the population size should be adjusted. For example: If five projects are within the 95% funds expended population, two would be reviewed. If the Program Analyst would like to add an additional project that is outside of the 95% funds expended threshold, the total population would increase to six, so three projects would be reviewed.

The sample should, to the extent feasible, be different for each review performed. The following exceptions should be noted:

1. Projects that are monitored and result in a high number of unresolved concerns and findings should be included within subsequent reviews.

2. Projects selected through random sampling may be replaced in cases where the projects either have not started or have not reached defined milestones within the life of the project.

3.2.2 Send Monitoring Notification

Once an onsite review is scheduled to begin, a Monitoring Notification Letter is sent to the entity. The Compliance Analyst is responsible for drafting the Notification Letter. The Compliance Manager signs the Letter. Sending the monitoring notification is an especially important step in the onsite review process. The letter should include the date and time of the visit and the areas to be covered. For an onsite review, the letter should include a request for adequate workspace and for meetings with key personnel. A Monitoring Notification Letter Template is included as Exhibit 4.

3.2.3 Prepare for Onsite Review/ Perform Desk Review

Prior to beginning monitoring, the Compliance Analyst should coordinate several work sessions with all the OCD/DRU parties involved in the review to review checklists and ensure all staff involved in the review understand how to answer the questions for the specific review and to reiterate roles and responsibilities. As a part of the prep meetings, the Compliance Analyst should develop an agenda for the onsite review Entrance Conference (see Exhibit 5) and confirm the logistics for the onsite visit (travel arrangements, etc.).

The Analysts should also begin executing the Core Checklist (Exhibit 6), Project Checklist (Exhibit 7) and if applicable, Project Worksheets (Exhibit 8) utilizing readily available documents. See Section 4 for a description of the roles and responsibilities related to these Checklists. This desk review assesses compliance with program, contractual, HUD, CDBG, and other federal, state and local requirements. These checklists, described in Section 5, are used to perform a desk review. Each Checklist includes instructions. Risk assessment results may be used to identify specific areas of concern and to determine the frequency of desk reviews. The assessment performed as part of oversight desk review can identify potential problems early; prevent compliance violations; help improve performance; and establish a working relationship with the monitored entity. If, during the desk review, the Analyst determines that additional documents would be beneficial in prepping for the onsite review or will be required while onsite, they may request the documents prior to the onsite review.

3.2.4 Execute Onsite Review

Onsite monitoring activities are those activities conducted at a site where the program/project records are maintained, production occurs, or both. Onsite monitoring is an effective way to validate desk review results, identify and/or research discrepancies, and more closely monitor high-risk program components.

During onsite monitoring visits, the files will be reviewed for compliance with all applicable federal and program requirements. Information collected during previous desk reviews, such as employee time sheets, financial statements, position descriptions, and policy and procedure manuals provided by the organizations, will also be used to prepare for the onsite visit. Each Checklist contains additional questions applicable to onsite monitoring. These Checklists are described in Section 5.

3.2.5 Send Monitoring Letter

As a result of the monitoring review, one or more of the following conclusions may be reached:

OCD/DRU Long-Term Compliance and Monitoring Plan

1. Performance was adequate or exemplary;
2. There were significant achievements;
3. There were concerns that need to be brought to the attention of the program participant;
4. Technical assistance was provided or is needed; and/or,
5. There were findings that require corrective actions.

In the event that deficiencies are found, the findings must include the condition, criteria, cause, effect, and required corrective action. This will be determined in consultation with the Process Lead and Compliance Manager.

Upon completion of the monitoring review, the Compliance Analyst will prepare a Monitoring Letter, with input from the Program Manager and Analyst, to be issued to the Monitored Entity describing the results – in sufficient detail – to clearly describe the areas that were covered and the basis for the conclusions. A Monitoring Letter Template is included as Exhibit 10.

Generally, the tone of the Monitoring Letter should be positive, recognizing the common goal of responsibly and effectively implementing CDBG programs. The letter should include significant accomplishments or positive changes to establish and/or maintain positive relationships and to recognize the dedication and commitment of the Monitored Entity's staff to the program mission. However, the Monitoring Letter should not include general statements such as, “[The Monitored Entity] complied with all applicable rules and regulations.” Such broad, general statements can, for example, negate the ability to apply sanctions if necessary. Monitoring reviews cover the selected program, technical areas and oftentimes include selected samples. Monitoring conclusions should, therefore, be qualified (e.g., “based upon the materials reviewed and staff interviews, the activity/area was found to be in compliance with [specific requirements].”).

3.2.6 Corrective Action

To assist in resolving findings of noncompliance with program policies and regulations and process weaknesses identified by the Program Analyst, the Monitored Entity must submit a written response to the Monitoring Letter. The management response should also include a plan for completing the required corrective actions. The management response and associated corrective action plan should be submitted within 30 days of receiving the Monitoring Letter from the OCD/DRU. The Compliance Analyst maintains primary responsibility for following up on all corrective actions contained within the Monitoring Letter. If evidence of corrective actions taken or a corrective action plan is not submitted within 30 days of receiving the Monitoring Letter, the OCD/DRU will follow up with a Monitoring No Response Letter (see Exhibit 11). In the corrective action plan, the Monitored Entity must describe the corrective action taken or planned in response to the findings identified during the review. A corrective action plan is not required for monitoring concerns; however, the Monitored Entity should include proposed corrective actions related to concerns in the management response. In addition, the Program Analyst must comment on the status of corrective action taken on any prior findings and/or concerns.

Upon completion of all of corrective actions contained within the Grantee/Subrecipient's corrective action plan, a Corrective Action Completed Letter (see Exhibit 12) will be sent to the Monitored Entity on behalf of the OCD/DRU.

3.2.7 Technical Assistance

The objective of technical assistance is to aid the Monitored Entity in their day-to-day compliance with HUD and state regulations and program requirements as they administer their individual programs. The nature and extent of technical assistance should be determined at the discretion of the Program Analyst. Some examples of technical assistance may include:

1. Verbal or written advice;
2. Formal training; and/or,
3. Documentation and guidance.

When deficiencies are identified as a result of monitoring, technical assistance may be required to assist in the resolution of the deficiency. Any assistance directly related to resolving a specific monitoring deficiency will be coordinated by the Program Analyst.

If deficiencies are noted for multiple Grantees, then organized technical assistance (TA) activities will be coordinated through the applicable Outreach Representative. Compliance and Program staff are responsible for reaching out to Outreach Reps to initiate TA activities. The Outreach staff are responsible for identifying the appropriate staff to provide TA (i.e., finance, infrastructure, labor, compliance, etc.). The Outreach Rep coordinates the logistics for TA visits (including setting up a pre-visit meeting with all OCD/DRU parties involved). TA activities should be documented and reported in accordance with the OCD/DRU policy.

3.2.8 Follow-up

In the event that findings or concerns are identified during the monitoring engagement, follow-up actions should be scheduled to address the progress of the proposed resolution. The timing and frequency of the follow-up communication and activities should be determined at the discretion of the Compliance Analyst, Program Analyst and SPM, and should be based on the severity of the deficiency.

If previous findings or concerns remain unresolved, or if a previously-identified monitoring deficiency remains uncorrected, these issues will also require follow-up activity. All follow-up actions should be documented and communicated to the Monitored Entity. When corrective action is required, target dates should be assigned for resolution of deficiencies.

4. Monitoring Roles and Responsibilities

Recipient monitoring is the responsibility of the OCD/DRU and its Grantees. The OCD/DRU will monitor Grantees and direct Subrecipients to ensure compliance with executed agreements, applicable state and federal laws and regulations, and project/program performance criteria. Grantees and direct Subrecipients are responsible for carrying out their projects and programs in a way that meets compliance requirements, including monitoring their program/project administrators, contractors and subcontractors.

The OCD/DRU has identified three levels of compliance monitoring for all of its CDBG Disaster Recovery Funds: Level 1, Level 2, and Level 3. The OCD/DRU developed monitoring tools that can be used at each level of compliance monitoring. The OCD/DRU Long-Term Monitoring Tools are comprised of three Checklists: the Core Checklist, the Project Checklist, and the Contractor Checklist.

OCD/DRU Long-Term Compliance and Monitoring Plan

1. Level 1 Oversight monitoring includes a Compliance Analyst reviewing and approving program/project-level monitoring efforts to determine whether critical operational and administrative areas are being effectively and efficiently evaluated for performance and compliance. Oversight Monitoring is typically performed by the Compliance Analysts, with direction from the Compliance Manager.
2. Level 2 monitoring includes monitoring State Agencies, Local Grantees, Subrecipients, and contractors, as applicable, to ensure that the program or project is implemented and/or services are being provided according to the requisite state and federal regulations and contractual obligations. The Core Checklist (see Section 5.1) and Project Checklist (see Section 5.2) are used to perform Level 2 monitoring. Additionally, the OCD/DRU may use the Contractor Monitoring Level 2 Checklist (see Section 5.3) to monitor contractor compliance with executed binding agreements.
3. Level 3 monitoring is performed by the Grantee or Subrecipient and includes detailed monitoring for all state, federal and local laws and regulations, program/project requirements, and contractual obligations. Level 3 monitoring can be performed using the Project Checklist. Additionally, if Grantees utilize Subrecipients to execute their programs or projects, the Core Checklist can be utilized to monitor the Subrecipients.

Note Regarding the OCD/DRU's Monitoring of Entities without a Contractual Relationship with the OCD/DRU (and associated Projects)

For the purpose of this LTMP, if a Grantee or Subrecipient has entered into agreements with other entities to execute projects the OCD/DRU considers this a subrecipient relationship between the Grantee/Subrecipient and the said entity. Therefore, the primary monitoring responsibilities of ensuring that the Subrecipient is implementing the program/project according to the applicable regulations rest with the Grantee/Subrecipient. The OCD/DRU serves in an oversight monitoring role when this type of relationship exists.

The Subrecipient Management Section of the Core Checklist should be used to provide this oversight monitoring and determine if the Grantee/Subrecipient is sufficiently managing its Subrecipients (and its Subrecipients' implementation of its allocated projects). If, after completing the review, it is determined that the Grantee is not sufficiently managing its Subrecipient, the OCD/DRU may (with coordination with the Grantee/Subrecipient), complete a project review for a sample of the Subrecipient's projects. The actual program deliverables/activities (i.e., services provided by the Subrecipients) should not be reviewed by the OCD/DRU unless issues are found during the review.

4.1 Monitoring Roles and Responsibilities

Monitoring will be conducted through a "team" concept. The Process Lead will assign a Compliance Analyst as team lead to coordinate the monitoring efforts for each review. The Financial Compliance Lead will assign a Financial Analyst and Program Analysts will be assigned to each team by SPMs and

OCD/DRU Long-Term Compliance and Monitoring Plan

will participate in conducting monitoring. The team leads will develop ongoing relationships with assigned program staff and provide technical assistance throughout the monitoring activities.

The following roles were established to execute the OCD/DRU's Long-Term Monitoring Plan:

1. Compliance Manager (Level 1 Manager)
 - a. Oversees all monitoring efforts
 - b. Reports Status of Monitoring Reviews
 - c. Assists the Process Lead with the development of the monitoring schedule
 - d. Reviews and Signs Notification Letter
 - e. Reviews and Signs Monitoring Letter
 - f. Reviews and Signs No Response Letter
 - g. Reviews and Signs Corrective Action Letter
 - h. Reviews and Approves final resolution of Corrective Actions; Signs Corrective Actions Letter
2. Process Lead
 - a. Tracks Monitoring Efforts
 - b. Follows up on overdue review milestones
 - c. Assigns Compliance Analysts
 - d. Provides oversight for all Compliance Analysts tasks
 - e. Initiates the Project sample selection process; Approves the Project sample
 - f. Coordinates the development of the monitoring schedule, based on input from Program Analysts, Program Managers, Compliance Manager, and Outreach staff
 - g. Manages ongoing monitoring needs (i.e., how to handle "emergency" visits)
 - h. Reviews and approves Notification Letter
 - i. Approves Core and Project Checklists
 - j. Reviews and approves Monitoring Letter
 - k. Coordinates with Compliance Analyst on any required edits prior to submitting Monitoring Letter to Compliance Manager for final approval
3. Compliance Analyst (Level 1 Monitor)
 - a. Tracks assigned monitoring reviews
 - b. Provides technical assistance to Program Analysts throughout the monitoring process
 - c. Provides input into the monitoring schedule
 - d. Coordinates the completion of a risk assessment by the Program AnalystsCoordinates prep for onsite reviews
 - e. Facilitates the Entrance Conference and Exit Conference for Onsite reviews
 - f. Documents the results of the Core Checklist (Program Analysts provide input)
 - g. Coordinates with Program Analyst on completion of Project Checklist(s)
 - h. Drafts all Letters
 - i. Oversees the Corrective Action Resolution Process
4. State Program Manager (Level 2 Manager)
 - a. Selects the Project sample
 - b. Assigns Program Analysts
 - c. Oversees Level 2 monitoring
 - d. Reviews Monitoring Letter

- e. Provides input into monitoring schedule
5. Program Analyst (Level 2 Monitor)
 - a. Participates in activities to prepare for onsite visit
 - b. Participates in Entrance and Exit Conferences when onsite
 - c. Participates in work sessions and provides input into the execution of the Core Checklist
 - d. Executes the Project Checklist and analyzes results
 - e. Provides input into the Monitoring Letter
6. Executive Director
 - a. Reviews Monitoring Letter prior to final approval
7. Subject Matter Expert (SME)
 - a. Provides support to the Monitors
 - b. Provides functional guidance in the areas of Procurement/Contracting, Financial Management, Labor, Environmental and Monitoring

5. Monitoring Tools

The OCD/DRU Long-Term Monitoring Tools are comprised of three Checklists: the Core Checklist, the Project Checklist, and the Contractor Checklist. The activities associated with a Grantee, Subrecipient, Project, or Program determines which sections of these Checklists are used for each review. These Checklists are described in Sections 5.1-5.3.

5.1 Core Checklist

The Core Checklist should be used during all Level 2 Compliance Monitoring reviews. Grantees may also use this Checklist to monitor its Subrecipients. This Checklist is included as Exhibit 6 of this document.

The primary functions of the Core Checklist are to determine if policies and procedures meet minimum requirements and to verify the adequacy of the financial management system, civil rights compliance, and the Subrecipient management system, as applicable. The Core Checklist is intended to be completed for the initial desk review and as an onsite checklist during scheduled onsite visit. The Core Checklist includes a review of the following areas:

1. Financial management policies and procedures;
2. Procurement policies and procedures;
3. Contracting policies and procedures;
4. Monitoring policies and procedures;
5. Financial management system validation;
6. Civil Rights; and,
7. Subrecipient Management, as applicable.

The Compliance Analyst should use the Policies and Procedures sections of the Core Checklist to identify technical assistance needs as early in the program/project implementation as possible.

5.2 Project Checklist

The Program Analyst should use the Project Checklist, included as Exhibit 7, to review a sample of the Grantee's Projects. The Project Checklist is used as both a desk and onsite checklist. The Project Checklist is comprised of questions related to each of the following compliance areas:

1. Citizen Participation
2. Financial Management
3. Procurement
4. Contracting
5. Labor
6. Civil Rights
7. Environmental Review
8. Acquisition and Relocation
9. Property Management
10. Monitoring
11. Lead-Based Paint, Asbestos, and Mold
12. National Objective and Eligible Activities

Project Worksheets (Exhibit 8) should be used by the Program Analyst to draw conclusions regarding procurement, contracting, labor, and Section 3 compliance for each project. The worksheets include questions pertaining to the specific contractors/vendors procured to implement the program/project. Since the activities associated with a project and with a contract vary, all sections of the Project Checklist may not be applicable for each project and associated contract/contractor. The results of each Project Checklist should be reviewed to determine if technical assistance is required.

5.2.1 Selecting a Sample to Execute the Project Checklist

Contractor Sample

For each project within the Project Sample, the Program Analyst is required to select a sample of contractors/vendors in order to execute the Project Worksheets. The full population of contractors/vendors used to implement the project should be listed in Section 2, Question 10 of the Project Checklist (this includes any consultants, non-profits, Subrecipients, etc.). If the Grantee has not engaged any contractors or vendors to execute the project (i.e., they are performing the work "in-house"), the responses to the applicable Project Worksheet questions should be based on the "in-house" activities (i.e., invoicing and labor review of the public works department implementing the CDBG-funded project). Using the Project Worksheets, the Program Analyst will use the procurement documentation, contracts, draw requests, and other documentation associated with the project and contractors to test the Grantee's administrative systems.

1. Number of Contractors/Vendors to Review
 - a. If five or fewer contractors/vendors have been used to implement the projects, two contractors/vendors should be reviewed, if applicable.
 - b. If six or more contractors/vendors have been used to implement the project, three contractors/vendors should be reviewed, as applicable.
2. If issues are found within the selected sample, broaden the sample to include additional contractors.

OCD/DRU Long-Term Compliance and Monitoring Plan

3. The number of contractors selected for review may be increased based on the Grantee risk level. The reasoning for selecting the contractors within the sample should be documented.

If a project undergoes more than one review, each review cycle should include different contractors, as applicable. The Program Analyst always has the option of expanding the sample size to include additional contractors for initial testing or retesting.

Selecting Draw Request Sample and Invoices to Review

Section 9.2 of Project Checklist requires the Program Analyst to select a sample of draw requests for the Project being reviewed. For each draw request, the analyst will also select a sample of invoices to determine if costs are allowable and support documentation is sufficient. According to Appendix A of HUD Handbook 2000.04 REV-2 CHG-7, there are minimum sample sizes for attribute testing. The Program Analyst should use Table 3 to determine the appropriate sample size for monitoring program-processing activities (e.g., draw request submittal, closings, applicant file reviews, etc.). Draw Requests included in the sample should be those submitted at least one month prior to the Grantee receiving the Notification Letter.

Table 3 Sampling for Transaction-Based Activities

| Population | >200 | 100-199 | 50-99 | 20-49 | Less than 20 |
|---------------------|------|---------|-------|-------|--------------|
| Minimum Sample Size | 65 | 20 | 10 | 5 | 3 |

Example: Ten draw requests have been submitted; select three to include in the sample.

| | <u>Draw Request A</u> | <u>Draw Request B</u> | <u>Draw Request C</u> |
|--------------------------------|-----------------------|-----------------------|-----------------------|
| # Invoices within Draw Request | 25 | 20 | 50 |
| # Invoices Selected for Review | 5 | 3 | 10 |

Sampling Tools

Sample selection can be performed with the assistance of off-the-shelf software (e.g., random number generators, MS Excel function – RAND (random number generator)). A sampling tool may be used to randomly select a sample from a population.

Additional projects may be added to this selection using a Non-Random Selection Method by:

1. Examining more projects from a specific category;
2. Selecting additional projects to include one from each Grantee staff person responsible for project oversight;
3. Including additional projects with the same characteristics, if indicated by the severity or nature of any problems(s) noted during previous reviews (for example, same problem category, same parish staff person, same activities or other characteristics);
4. Including projects with expanded scope or funding, activities considered high risk, and/or unresolved past findings or concerns.

5.3 Level 2 Contractor Checklist

State Program Analysts serve as the primary monitors (Level 2), unless otherwise defined in the contract. The OCD/DRU Compliance and Monitoring Team serve in the oversight role. When State personnel are

OCD/DRU Long-Term Compliance and Monitoring Plan

embedded within specific operational areas managed by the contractor, day-to-day and continuous monitoring may occur that is not included within this monitoring strategy.

When considering contractors, the same federal, state, local and CDBG administrative and monitoring requirements that apply to Subrecipients may not apply to a contracted entity. Therefore, the checklist used to monitor Subrecipients and state-administered projects may not be suitable to fulfill the OCD/DRU's contractor monitoring responsibilities. With that in mind, a Level 2 Contractor Checklist (Exhibit 13) was developed to help the OCD/DRU fulfill its responsibility for monitoring contractors, whether the contractors function as grant administrators or serve the state in other capacities.

The Level 2 Contractor Checklist must be tailored based on the contract executed between the OCD/DRU and the contractor. This would include updating the checklist to include all requirements and deliverables associated with the contract scope of work and to include any relevant areas of concern.

The Level 2 Contractor Checklist includes a review of the following areas:

1. Contractual requirements
 - a. Administrative requirements
 - b. Scope of Work
 - c. Deliverables
2. Areas of Concern (as identified by the monitor)
3. Labor
4. Civil Rights
5. Environmental
6. Financial Management
7. Property Management
8. Other Legal/Regulatory Requirements

Selecting a Documentation Sample to Review

The Contractor Checklist instructs the Program Analyst to pull samples of specific documentation to draw conclusions about an activity, process, or function. Populations will be obtained through coordination with the entity being monitored and may consist of listings of projects, case files, program activities/transactions or financial information in an electronic or hardcopy form. The actual sample items may consist of hardcopy records that are pulled for testing while on site, specific records and information as requested, and/or data or reports that are provided by the monitored entity as part of ongoing reporting or other production requirements.

According to Appendix A of HUD Handbook 2000.04 REV-2 CHG-7, there are minimum sample sizes for attribute testing. The Program Analyst should use Table 4 to determine the appropriate sample size for monitoring program-processing activities (e.g., closings, applicant file reviews, etc.).

Table 4 Sampling for Transaction-Based Activities

| Population | >200 | 100-199 | 50-99 | 20-49 | Less than 20 |
|---------------------|------|---------|-------|-------|--------------|
| Minimum Sample Size | 65 | 20 | 10 | 5 | 3 |

Sample selection can be performed with the assistance of off-the-shelf software (e.g., random number generators, MS Excel function – RAND (random number generator)). A sampling tool may also be used to randomly select a sample from a population.

6. Monitoring Relationships and Use of Monitoring Tools

The relationships between each of the roles described above and the use of the monitoring tools described depends upon how the program is implemented. The OCD/DRU may distribute CDBG funds to Beneficiaries through programs administered by a:

1. Local Grantee (parish or municipality);
2. Subrecipient (State Agency, non-profit, etc.);
3. State contractor;
4. OCD/DRU directly; or,
5. OCD/DRU with the assistance of contractors.

Depending on the administration method and the project/program requirements, all sections of each of the Checklist may not be used during the monitoring review. The following sections describe the monitoring relationships and tools by administration method.

6.1.1 Project/Program Administered by a Local Grantee/Subrecipient to the State

The following table provides guidance when the OCD/DRU is monitoring an entity for which they have a direct contract/agreement with. A sample of the programs that are included within this implementation category include (this list is not all-inclusive): the Gustav/Ike Parish Program and the Small Firm Recovery Loan and Grant (“BRGL”; administer by LED).

| Tool | Executed By | Additional Guidance |
|--------------------|--------------------|--|
| Core Checklist | Compliance Analyst | Execute the policies and procedures sections of the Checklist, in coordination with the Program Analysts. Answer the remaining sections/questions of the Checklists, utilizing the results of the Project Checklists, as applicable. |
| Project Checklist | Program Analyst | Execute the Checklist for each Project within the sample (see Section 3.2.1). List all entities for which the Grantee/Subrecipient has engaged to implement the program/project in Section 2, Question 10 of the Project Checklist (this includes any consultants, non-profits, contractors, vendors, etc.). |
| Project Worksheets | Program Analyst | Execute for a sample of the contractors and/or Subrecipients listed in Section 2, Question 10 of the Project Checklist. For Subrecipients, only execute Worksheets1 and 3. |

6.1.2 Program/Project Administered by OCD/DRU

If a Program or Project is administered directly by the OCD/DRU (i.e., Piggyback Program), the monitoring tools should be used as illustrated in the following table. This includes those Programs where the OCD/DRU has engaged consultant/contractors to provide support services for the administration of the Project/Program. The consultants/contractors providing support services can be reviewed using the Contractor Checklist (see Section 5.3).

OCD/DRU Long-Term Compliance and Monitoring Plan

| Tool | Executed By | Additional Guidance |
|--------------------|-------------------------|--|
| Core Checklist | Compliance Analyst | Answer the Policy and Procedures questions based on the State Program Manager's administration of the Program, utilizing the results of the Project Checklists, as applicable. |
| Project Checklist | SPM/ Program Analyst | Answer the questions based on the Program/Project implemented by each recipient. List all entities for which the Recipient has engaged to implement the program/project in Section 2, Question 10 of the Project Checklist (this includes any consultants, non-profits, Subrecipients, etc.) |
| Project Worksheets | SPM/ Program Analyst | Execute for a sample of the contractors and/or Subrecipients listed in Section 2, Question 10 of the Project Checklist. |

6.1.3 Program/Project Implemented by a Contractor to the State

If the OCD/DRU has engaged a Contractor to implement the Program/Project then the Contractor Checklist, Core Checklist, Project Checklist and associated Project Worksheets are used to monitor the Contractor. If the Contractor is providing support services to the OCD/DRU to implement the Program (i.e., HGA, Environ), only the Contractor Checklist would be used.

| Tool | Executed By | Additional Guidance |
|----------------------|-------------------------|---|
| Contractor Checklist | SPM/ Program Analyst | Incorporate contract Scope of Work requirements and deliverables. Execute all applicable sections of the Checklist. |

7. Performance Monitoring

Performance monitoring of the Grantee-implemented programs and projects is performed as a parallel process to the compliance monitoring. Because the number and type of projects administered by a single entity can be numerous and complex, it often becomes difficult to plan for each projects implementation. Projects may take years to implement once approved due to lack of planning and oversight. The OCD/DRU may monitor the performance of projects based on the pre-defined milestones (see Exhibit 14) and the Grantee-approved target dates for reaching these milestones.

The goals for performance monitoring include:

1. Assisting Grantees in developing project implementation schedules using the Performance Monitoring Template;
2. Enabling Grantees to allocate applicable staff/resources to projects and maintain reasonable timelines for completion of projects;
3. Tracking Grantee progress and providing technical assistance as needed; and,
4. Providing summary reporting of frequently requested information.

By engaging Grantees in the process, the schedules that are established should allow Grantees to allocate applicable staff/resources to projects and maintain reasonable timelines for completion of projects.

Project milestones have been identified for each of the following project types:

OCD/DRU Long-Term Compliance and Monitoring Plan

| Project Type | Description |
|--|--|
| Housing – Construction | Housing programs/projects that involve construction (minor roof repair, rental rehabilitation, etc.). If the project/program involves collecting applications, the duration between the milestones should reflect when the milestone will be reached for all approved applicants |
| Housing – Other | Housing programs/projects that do not involve construction (loan or grant program, providing relocation benefits, etc.). If the project/program involves collecting applications, the duration between the milestones should reflect when the milestone will be reached for all approved applicants |
| Infrastructure | Drainage, streetscapes, bridge repair, generator installation, etc. |
| Economic Development – Loan & Grant | Loan & Grant: Projects/ Programs that provide grants and loans to firms who are determined to have a chance to survive, contribute to the economy, and create jobs. Since this type of project/program involves the Grantee/ Recipient/ Subrecipient's collecting applicants that meet the program guidelines, the duration between the milestones should reflect when the milestone will be reached for all approved applicants. |
| Economic Development – Other | Projects/ Programs targeted to improving a Grantee/ Recipient/ or Subrecipient's local economy by proving technical assistance to small firms, funding tourism marketing , and otherwise increasing the local job market. Since this type of project/program involves the Grantee/ Recipient/ Subrecipient's collecting applicants that meet the program guidelines, the duration between the milestones should reflect when the milestone will be reached for all approved applicants |
| Planning – Category 1 (Develop a Plan) | Projects used to finance the development of forward-thinking plans related to land use, economic development, resiliency and water management and development of local zoning ordinances that will help prevent or dramatically minimize business, housing, and infrastructure damage from future storm events. This milestone assumes that the project was selected through a competitive process and was already approved. |
| Planning – Category 2 (Code Enforcement) | Projects that provide funding to hire and/or maintain staff to assist in the establishment or acceleration of building code enforcement and resiliency education. This milestone assumes that the project was selected through a competitive process and was already approved. |
| Homelessness Supports | Projects/ Programs designed to prevent homelessness in a local community |

The milestones associated for each of these projects are included in Exhibit 14. These milestones may be used to set a base schedule for a group of projects. The OCD/DRU may work with the Grantee to adjust this schedule based on the activities associated with each individual project. For example, all projects may not require property acquisition, so this milestone can be marked non-applicable. The construction of the concrete pad for the installation of a generator should not take as long as construction of a bridge, so the construction period for this project type should be adjusted.



***Office of Community Development/Disaster Recovery Unit
Long-Term Compliance and Monitoring Plan***

***Exhibit 1
Grantee - Subrecipient Risk Assessment Template***

Revised April 20, 2012

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OCD/DRU DR-CDBG Grantee/Subrecipient Risk Assessment Template

This risk assessment should be used to determine the risk of a set of grantees or subrecipients. The risk established should be used to prioritize and/or determine the frequency of monitoring reviews. Review Section 12 of the OCD/DRU Disaster Recovery CDBG Administrative Manual prior to executing this risk assessment.

| Criterion | Funding | | Risk/Number of Projects | | Implementation | | Relevant Experience | | Compliance History | |
|--------------------|---|---|---|---|--|---|---|---|---|---|
| Description | Total Amount of DR-CDBG funds remaining to be disbursed | | The number and type of approved projects/programs implemented by the entity | | Use of Subrecipients, consultants, or internal staff to implement projects/programs. | | Experience implementing a similar project/program | | Past Compliance with federally funded projects/programs | |
| High Risk | \$200,000 + | 5 | 20+ Projects/Programs or 7 High Risk Projects/Programs | 5 | Subrecipient | 8 | No Experience | 5 | No past monitoring or severe deficiencies were revealed | 5 |
| Medium Risk | \$100,000 - \$199,999 | 3 | 10-19 Projects/Programs or 5+ High Risk Projects/Programs | 3 | Grantee Staff | 5 | Some Experience | 3 | Evidence of prior monitoring; deficiencies noted, but none severe | 3 |
| Low Risk | Less than \$99,999 | 1 | Less than 9 Projects/Programs and Less than 5 High Risk Projects/Programs | 1 | Consultant | 3 | Significant Experience | 1 | Evidence of prior monitoring; no deficiencies noted | 1 |

| 1. Grantee/ Subrecipient | 2. Funding | 3. Risk/Number of Projects | 4. Implementation | 5. Relevant Experience | 6. Compliance History | 7. Total Score | 8. Risk Level |
|--------------------------|------------|----------------------------|-------------------|------------------------|-----------------------|----------------|---------------|
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***Office of Community Development/Disaster Recovery Unit
Long-Term Compliance and Monitoring Plan***

***Exhibit 2
Project/Program Risk Assessment Template***

Revised April 20, 2012

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OCD/DRU DR-CDBG Project/Program Risk Assessment Template

This risk assessment should be used to determine to risk of a set of projects or programs. The risk established should be used to prioritize and/or determine the frequency of monitoring reviews. Review Section 12 of the OCD/DRU Disaster Recovery CDBG Administrative Manual prior to executing this risk assessment.

| Criterion | Total DR-CDBG Allocation | Complexity | Implementation | Relevant Experience |
|--------------------|---|--|--|---|
| Description | Total DR-CDBG provided to execute the project/program | Activities associated with the project/program | Entity who is implementing the project/program | Experience implementing a similar project/program |
| High Risk | \$250,000 + 5 | Involves Construction 5 | Subrecipient 12 | No Experience 8 |
| Medium Risk | \$150,000 - \$249,999 3 | Loan or Grant Project 3 | Grantee Staff 8 | Some Experience 5 |
| Low Risk | Less than \$149,999 1 | Other type of Project 1 | Consultant 4 | Significant Experience 3 |

| 1. Project/ Program Name | 2. Project ID | 3. Total DR-CDBG Allocation | 4. Complexity | 5. Implementation | 6. Relevant Experience | 7. Total Score | 8. Risk Level |
|--------------------------|---------------|-----------------------------|---------------|-------------------|------------------------|----------------|---------------|
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Instructions to execute the Project/ Program Risk Assessment Template

Column 1 Enter the project/program name or description

Column 2 Enter the project/program name, if applicable

Column 3 Review the project/program application to determine how much DR-CDBG funds were allocated to the project/program. Select the choice from the dropdown menu that best fits your response.

Column 4 Review the project/program application to determine the activities associated with the project/program. Select the choice from the dropdown menu that best fits your response.

Column 5 Review the project/program application to determine what type of entity is implementing the project/prgoram. Select the choice from the dropdown menu that best fits your response.

Column 6 Determine the prior experience of the entity implementing the project/program. If the implementing entity was selected through a competitive process, you may want to review the Proposal submitted by the entity. If the project/program is implemented by grantee staff or a subrecipient, review past projects/programs to determine experience. Select the choice from the dropdown menu that best fits your response.

Column 7 This column will automatically calculate based on the responses selected in columns 3-6

Column 8 This column will automatically populate based on the responses selected in column 7

You may add additonal rows to the Risk Assessment Template by right clicking a row and selecting "Insert"



*Office of Community Development/Disaster Recovery Unit
Long-Term Compliance and Monitoring Plan*

*Exhibit 6
Compliance Monitoring Core Checklist*

Revised April 20, 2012

OCD/DRU Compliance Monitoring Core Checklist

TABLE OF CONTENTS

| | | |
|-----|---|----|
| 1. | Instructions and Monitoring Prep | 1 |
| 1.1 | Monitoring Preparation | 2 |
| 1.2 | Entrance Conference | 3 |
| 1.3 | Documentation Collection | 4 |
| 2. | Policies, Procedures, and Systems | 6 |
| 2.1 | Procurement Policies and Procedures | 6 |
| 2.2 | Contract Administration System | 9 |
| 2.3 | Financial Management Policies and Procedures | 10 |
| 2.4 | Monitoring Policies and Procedures | 12 |
| 2.5 | Recordkeeping and Reporting | 13 |
| 3. | Validation of Financial Management System | 15 |
| 3.1 | Establishing DR CDBG Funds Account | 15 |
| 3.2 | Financial Administration | 15 |
| 3.3 | Financial Reporting and Audits | 16 |
| 3.4 | Expenditure Review | 17 |
| 4. | Civil Rights | 21 |
| 4.1 | Section 504 | 21 |
| 4.2 | Fair Housing | 21 |
| 4.3 | Title VI | 22 |
| 4.4 | Section 3 | 23 |
| 5. | Subrecipient Management | 25 |
| 5.1 | Process Review | 25 |
| 5.2 | Validation of Subrecipient Management Practices | 28 |
| 6. | File Review – ONSITE ONLY | 32 |
| 7. | Areas of Merit | 34 |
| 8. | Technical Assistance | 35 |

1. Instructions and Monitoring Prep

This Checklist should be used to determine if the Grantee/Subrecipient's policies and procedures for the core administrative systems (i.e. financial, procurement, contracting, and monitoring) meet minimum requirements and to verify the effectiveness of these systems at the Grantee/Subrecipient level. This Checklist should also be used to review the Grantee/Subrecipient's financial management system, Subrecipient management practices, and civil rights compliance.

The Monitor should execute this Checklist prior to completing the Project Monitoring Checklist.

The Project Monitoring Checklist should highlight any deficiencies within any administrative systems that are not covered in this Core Checklist. The Monitor should use the OCD/DRU Disaster Recovery CDBG Administrative Manual for guidance on the topics covered within this Checklist. This manual is located at <http://www.doa.louisiana.gov/cdbg/dr/dradmin-manual.htm>.

The following steps should be taken to perform a review:

1. Review the following to obtain an understanding of the Grantee/Subrecipient requirements:
 - a. Governing statutes, regulations and official guidance;
 - b. Waivers;
 - c. Grant Agreements and other Binding Agreements;
 - d. Action Plans and Amendments; and,
 - e. Approved Program documents.
2. Collect and Review the documentation referenced in Subsection 1.3.
3. Execute the Checklist by providing the appropriate response in the "Response" column. Mark any issues in the "Issue Type" column. If an issue [deficiency] is identified, corrective actions and/or technical assistance may be required. Technical assistance may also be required for any concerns noted. Notate whether corrective actions or technical assistance should be provided within the "Comments" column.

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

1.1 Monitoring Preparation

| Requirements | Response | Comments |
|---|---|----------|
| Description: Execute this Section to confirm that all pre-monitoring activities have been completed. | | |
| 1. Did you review all grant requirements, action plans, amendments and waivers? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | |
| 2. Did you review contract terms, payment terms, and budget? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | |
| 3. Did you review monitoring requirements as contained in the Binding Agreement? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | |
| 4. Did you coordinate with appropriate reporting staff and any other required department to ensure all data/information has been captured in current reporting? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | |
| 5. Did you review prior year audits, monitoring efforts and results, and documentation supporting completed or ongoing corrective actions? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | |
| 6. Did you review relevant documentation and reporting to determine current program progress, status, performance, and compliance for monitoring planning purposes? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | |
| 7. Did you schedule meetings with relevant OCD/DRU staff to discuss program, current performance, issues and contract terms? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | |
| 8. Did you set up program monitoring files and collect all relevant documents (see Section 1.3)? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | |
| 9. Did you draft and send a monitoring notification letter to the Grantee/Subrecipient and request relevant documents to review? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

1.2 Entrance Conference

| Requirements | Response | Comments |
|--|---|----------|
| <p>Description: An Entrance Conference should be conducted to “kick off” the monitoring visit. This is especially important for onsite reviews. Use this Section to document these pre-monitoring activities.</p> | | |
| 1. Was an Entrance Conference Conducted? List the date, time, and location. | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | |
| 2. Was a log taken of all attendees? List the names and titles of all persons in attendance (or attach a copy of the sign-in log). | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | |
| 3. Were designated points of contact identified to assist with the monitoring engagement? List the name, title, assigned area, and contact information for the designated personnel. | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | |
| 4. Was an agenda drafted and were meeting notes taken to document the topics discussed during the Entrance Conference? List the topics discussed (or attach a copy of the meeting notes). | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

1.3 Documentation Collection

| Document | Source of Doc | For Use in Section | Date Recv'd (or N/A) | Comments |
|---|--|--------------------|----------------------|----------|
| Description: This Section provides a list of documents required to answer the questions within this Checklist. Execute this Section prior to and throughout the monitoring review. | | | | |
| 1. Procurement Policies and Procedures | Grantee/Subrecipient or Outreach Rep | 2.1 | | |
| 2. Contracting Policies and Procedures | Grantee/Subrecipient or Outreach Rep | 2.2 | | |
| 3. Financial Management Policies and Procedures | Grantee/Subrecipient or Outreach Rep | 2.3 | | |
| 4. Monitoring Policies and Procedures | Grantee/Subrecipient or Outreach Rep | 2.4 | | |
| 5. Record Keeping Policies and Procedures | Subrecipient or Outreach Rep | 2.5 | | |
| 6. Most Recent Approved Draw Request and supporting documentation | Grantee/Subrecipient or OCD-DRU Finance Dept | 3.4 | | |
| 7. Appropriate Audit/Financial Report | | | | |
| 7.1. An A-133 if the Grantee/Subrecipient has expended more than \$500,000 in federal funds within a fiscal year | LLA Audit Site Grantee's/Subrecipient's Audit Files | 3.3 | | |
| 7.2. Annual sworn financial statement if revenue received was \$50,000 or less | Grantee's/Subrecipient's Audit Files | 3.3 | | |
| 7.3. Annual compilation if revenue received was more than \$50,000 but less than \$200,000 | Grantee's/Subrecipient's Audit Files | 3.3 | | |
| 7.4. An annual review along with the required agreed upon procedure report if revenue received was \$200,000 or more but less than \$500,000 | Grantee's/Subrecipient's Audit Files | 3.3 | | |
| 8. Federally Approved Indirect Cost Plan, if applicable | Grantee's /Subrecipient's Financial Files | 3.4 | | |
| 9. Grantee Draw Request Sample and supporting documentation | Grantee's /Subrecipient's Financial Files | 3.4 | | |
| 10. Administrative Draw Request Sample and supporting documentation | Grantee's /Subrecipient's Financial Files | 3.4 | | |
| 11. 504 Self Evaluation | Grantee/Subrecipient's General File or Project File | 4.1 | | |
| 12. Section 504 Assurance | Grantee/Subrecipient's General File or Project File | 4.1 | | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

1.3 Documentation Collection

| Document | Source of Doc | For Use in Section | Date Recv'd (or N/A) | Comments |
|---|--|---------------------------|-----------------------------|-----------------|
| 13. Evidence of the administration of a Fair Housing Activity | Grantee/Subrecipient's General File or Project File | 4.2 | | |
| 14. Title VI Record Documentation | Grantee/Subrecipient's General File or Project File | 4.3 | | |
| 15. Subrecipient Documentation¹ | | | | |
| 15.1.Subrecipient Management Process | Grantee's Subrecipient File | 5.1 | | |
| 15.2.Subrecipient Agreement for Selected Subrecipient | Grantee's Subrecipient File | 5.2 | | |
| 15.3.Certificate of Insurance for Selected Subrecipient | Grantee's Subrecipient File | 5.2 | | |
| 15.4.Evidence of Grantee's Monitoring Efforts for the selected Subrecipient Project | Grantee's Subrecipient File Grantee's Monitoring File | 5.2 | | |

¹ The Analyst must select one Subrecipient and one the Subrecipient's projects to validate the Grantee's Subrecipient Management practices. See Section 5 for additional information.

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

| 2. Policies, Procedures, and Systems | | | |
|--|---|--|-----------------|
| Requirements | Response | Issue Type | Comments |
| 2.1 Procurement Policies and Procedures | | | |
| <p>Description: Execute this Section to determine if the Grantee/Subrecipient is in compliance with applicable regulations.</p> <p>Regulations: 24 CFR 84.44, 24 CFR 85.36, and 24 CFR 570.502</p> | | | |
| <p>1. Does the Grantee/Subrecipient have procurement policies and procedures in place? [24 CFR 85.36; 24 CFR 84.44]</p> <p><i>If no, the remaining questions within this Section are not applicable. Technical Assistance should be provided.</i></p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>2. Have the Grantee/Subrecipient's procurement policies and procedures been reviewed during a previous monitoring review?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>2.1. Have any issues been discovered based on prior reviews of the Grantee/Subrecipient's procurement policies and procedures or have any revisions been made since the previous review?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>3. Are the policies and procedures documented?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>4. Does the Grantee/Subrecipient have a process in place for communicating policies and procedures (including updates) to staff?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| Procurement Policies and Procedures Requirements | | | |
| <p>5. <u>Requirements</u> - Do the Procurement policies and procedures include a Code of Conduct?</p> <p>24 CFR 85.36 and 84.42 requires the Code of Conduct to contain these minimum requirements:</p> <ul style="list-style-type: none"> No employee, officer or agent of the Grantee/ Recipient/ Subrecipient or sub Grantee/ Recipient/ Subrecipient shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest would be involved Officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements Penalties, sanctions, or other disciplinary actions for violations are included The Code of Conduct is consistent with the Louisiana Code of Governmental Ethics (Louisiana Revised Statutes 42:1101) | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

2. Policies, Procedures, and Systems

| Requirements | Response | Issue Type | Comments |
|--|---|--|----------|
| <p>6. <u>Requirements</u> - Do the Procurement policies and procedures include guidance on using the appropriate solicitation methods, contract types and contract price?</p> <p>For Grantees, 24CFR85.36(b)(9) requires:</p> <ul style="list-style-type: none"> • Only one of the solicitation methods (Small Purchase, Sealed Bid/formal advertising, Competitive Proposals, Noncompetitive Proposals) are employed for each procurement • The requirements for the applicable solicitation method are followed • Only the appropriate contract types (Purchase Order, Fixed Price, Cost Reimbursement) are employed for each procurement • A “cost plus a percentage of cost” or a “percentage of construction cost” type pricing is not used for contracts [24 CFR 85.36 (f) (4)and 84.44(c)] • A “time and material” type contract is only used after a determination is made that no other contract is suitable and the contract includes a ceiling price that the contractor exceeds at its own risk [24 CFR 85.36 (b)(10)] • Contract is price appropriately, as determined by contract services (Lump sum pricing, unit pricing, or reimbursement of costs) <p>For Subrecipients of Institutions of Higher Education, Hospitals, or Other Non-Profit Recipients, 24CFR 84.44(a) and 24CFR84.84(e) requires that written procurement procedures shall provide for, at a minimum:</p> <ul style="list-style-type: none"> • Recipients avoid purchasing unnecessary items. • Where appropriate, an analysis is made of lease and purchase alternatives to determine which would be the most economical and practical procurement for the Federal Government. • Solicitations for goods and services provide for all of the following. • A clear and accurate description of the technical requirements for the material, product or service to be procured • Requirements which the bidder/offeror must fulfill and all other factors to be used in evaluating bids or proposals. | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

| 2. Policies, Procedures, and Systems | | | |
|---|---|--|----------|
| Requirements | Response | Issue Type | Comments |
| <p>7. <u>Requirements</u> - Do the Procurement policies and procedures include a requirement that staff review proposed procurements for Cost reasonableness?</p> <p>24 CFR 85.36; 24 CFR 84.45, 84.84 requires that cost reasonableness is reviewed:</p> <ul style="list-style-type: none"> • To avoid unnecessary purchases; • To avoid duplicative purchases, and; • Ensure costs are reasonable. | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>8. <u>Requirements</u> - Do the Procurement policies and procedures include a requirement that staff review proposed procurements to ensure contractors are eligible?</p> <p>24 CFR 85.35; 24 CFR 84.13 requires that awards are not made to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, "Debarment and Suspension". Check the following website: http://epls.arnet.gov</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>9. <u>Requirements</u> - Do the Procurement policies and procedures include a requirement that affirmative efforts be undertaken to hire women's business enterprises, minority firms and labor surplus firms?</p> <p>[24 CFR 85.36(e); 24 CFR 84.44(b), 24CFR84.84(e)(2)]</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>10. <u>Requirements</u> - Do the Procurement policies and procedures include a requirement that all disputes relating to procurement actions be handled, resolved, and disclosed?</p> <p>[24 CFR 85.36(b)(12); 24 CFR 84.84]</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>11. <u>Requirements</u> - Do the Procurement policies and procedures include a requirement that all procurements be conducted using "open and free competition," unless an exception applies?</p> <p>[24 CFR 85.36(c); 24 CFR 84.84(d)]</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>12. <u>Requirements</u> - Do the Procurement policies and procedures include a requirement to eliminate unfair competitive advantages in procurements?</p> <p>[24 CFR 85.36(c); 24 CFR 84.84(d); 24CFR84.43]</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

| 2. Policies, Procedures, and Systems | | | |
|--|---|--|-----------------|
| Requirements | Response | Issue Type | Comments |
| 2.2 Contract Administration System | | | |
| <p>Description: Use this Section to determine if the Grantee/Subrecipient has developed a contract administration system (not necessarily an IT system), which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. This section provides best practices that may be utilized in an adequate contract administration system.</p> <p>Regulation: 24 CFR 85.36(b)(2), 24 CFR 84.47, 24 CFR 84.84(h)</p> | | | |
| <p>1. Does the Grantee/Subrecipient have a contract administration system in place? <i>If no, the remaining questions within this Section are not applicable. Technical Assistance should be provided.</i></p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>2. Has the Grantee/Recipient's contract administration system been reviewed during a previous monitoring review?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>2.1. Have any issues been discovered based on prior reviews of the contract administration system or has the system changed since the previous review?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>3. Has the Grantee/Recipient documented contract administration procedures?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A | |
| <p>4. Does the Grantee/Subrecipient have a process in place for communicating contract administration requirements (including updates) to staff?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>5. Is the Grantee/Subrecipient's contract administration system adequate?</p> <p>Contract Administration best practices include:</p> <ul style="list-style-type: none"> Utilizing Contract Templates for developing contract; Identifying a contract administrator for each contract executed; Implementing a process to ensure contractor abides by the terms of the contract procedures; Implementing a deliverable review/approval process; and, Implementing a process for managing issues that may arise with the contractor. | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

| 2. Policies, Procedures, and Systems | | | |
|--|---|--|-----------------|
| Requirements | Response | Issue Type | Comments |
| 2.3 Financial Management Policies and Procedures | | | |
| Description: Use this Section to determine if the Grantee Recipient/Subrecipient's financial management policies and procedures meet the requisite standards. Regulations: 24 CFR 84.21, 24 CFR 85.20, 24 CFR 570.502 | | | |
| 1. Does the Grantee/Subrecipient have financial management policies and procedures in place? <i>If no, the remaining questions within this Section are not applicable. Technical Assistance should be provided.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. Have the Grantee/Subrecipient's financial management policies and procedures been reviewed during a previous monitoring review? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2.1. Have any issues been discovered based on prior reviews of the Grantee/Subrecipient's financial management policies and procedures or have any revisions been made since the previous review? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. Are the policies and procedures documented? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4. Does the Grantee/Subrecipient have a process in place for communicating policies and procedures (including updates) to staff? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| Financial Management Policy and Procedures Requirements | | | |
| 5. <u>Internal Controls Requirements</u> - Do the financial management policies and procedures require defined staff qualifications and duties, lines of authority, and separation of functions? [24CFR85.20(b)(3) and 84.21(a)(3)] | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 6. <u>Internal Controls Requirements</u> - Do the financial management policies and procedures require control over secure access to assets, blank forms, and confidential documents? [24CFR85.20(b)(3) and 84.21(b)(3)] | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

| 2. Policies, Procedures, and Systems | | | |
|---|---|--|-----------------|
| Requirements | Response | Issue Type | Comments |
| <p>7. <u>Internal Controls Requirements</u> - Do the financial management policies and procedures include a process for approving and recording transactions?</p> <p>[24CFR85.20(b)(3) and 84.21(b)(3)]</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>8. <u>Internal Controls Requirements</u> - Do the financial management policies and procedures include a process to periodically compare financial records to actual assets and liabilities?</p> <p>[24CFR85.20(b)(4) and 84.21(b)(4)]</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>9. <u>Support Documentation Requirement</u> - Do the financial management policies and procedures require that documentation (receipts, invoices, canceled checks, etc.) is available to support accounting record entries?</p> <p>[24CFR85.20(b)(6) and 84.21(b)(7)]</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>10. <u>Allowable Cost Requirement</u> - Do the financial management policies and procedures clearly define reasonableness, allowability, and allocability of costs incurred that's consistent with OMB Circulars A-87 or A-122?</p> <p>[24CFR85.20(b)(5) and 84.21(b)(6)]</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>11. <u>Financial Reporting Requirement</u> - Do the financial management policies and procedures require that financial statements and reporting are complete, current, reviewed periodically and provide complete disclosure of the financial results of each Federally-sponsored project or program?</p> <p>[24CFR85.20(b)(1) and 84.21(b)(1)]</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

2. Policies, Procedures, and Systems

| Requirements | Response | Issue Type | Comments |
|---|---|--|----------|
| <p>12. Financial Reporting Requirements - Do the financial management policies and procedures require that all of the following required HUD CDBG activities are captured within its reports?</p> <ul style="list-style-type: none"> • Amount budgeted • Advances/reimbursements received to date • Program income & other miscellaneous receipts • Actual expenditures/disbursements • Current encumbrances/obligations • Unpaid requests for payments <p>[24CFR84.52 and 24CFR85.41]</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>13. Cash Management Requirement - Do the financial management policies and procedures include a process to accurately project the cash needs of the organization?</p> <p>[24CFR85.20(b)(7) and 84.21(b)(5)]</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>14. Audits and Audit Findings Requirements- Do the financial management Policies and Procedures require that audits are conducted in a timely manner and in accordance with applicable standards, including a systematic method to assure timely and appropriate resolution of audit findings and recommendations?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

2.4 Monitoring Policies and Procedures

Description: Use this Section to determine if the Grantee/Subrecipient’s monitoring policies and procedures (Monitoring Plan) sufficiently outline how monitoring of each project, program, function or activity is carried out to assure compliance with applicable Federal requirements and the achievement of performance goals.

Regulations: 24 CFR 84.51; 24 CFR 85.40

| | | | |
|--|---|--|--|
| <p>1. Does the Grantee/Subrecipient have monitoring policies and procedures in place? <i>If no, the remaining questions within this Section are not applicable. Technical Assistance should be provided.</i></p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>2. Have the Grantee/Subrecipient’s monitoring policies and procedures been reviewed during a previous monitoring review?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>2.1. Have any issues been discovered based on prior reviews of the monitoring policies and procedures or have any revisions been made since the previous review?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

2. Policies, Procedures, and Systems

| Requirements | Response | Issue Type | Comments |
|---|---|--|----------|
| 3. Are the policies and procedures documented? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4. Does the Grantee/Subrecipient have a process in place for communicating policies and procedures (including updates) to staff? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5. Do the monitoring policies and procedures provide guidance on conducting, documenting, and reporting on monitoring activities and on follow up on areas of non-compliance? Monitoring best practices may include: <ul style="list-style-type: none"> • Prioritizing based on Risk • Prescribing a Sampling methodology • Monitoring Performance • Implementing a tracking system • Technical Assistance procedures | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 6. Do the monitoring policies and procedures include monitoring Project/Program performance? Monitoring best practices may include monitoring based on: <ul style="list-style-type: none"> • Compliance with approved application scope, funding specifications, and other requirements • Program guidelines • Implementation schedule and milestones [24CFR84.51 and 24 CFR 85.40] | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

2.5 Recordkeeping and Reporting

Description: Use this Section to determine if the Grantee/Subrecipient’s Recordkeeping system is sufficient.

Regulations: 24 CFR 85.40, 24 CFR 84.53, 24 CFR 570.506, and 24 CFR 570.490

| | | | |
|---|---|--|--|
| 1. Does the Grantee/Subrecipient have a Recordkeeping system in place? <i>If no, the remaining questions within this Section are not applicable. Technical Assistance is required.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. Has the Grantee/Subrecipient’s recordkeeping system been reviewed during a previous monitoring review? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2.1. Have issues been discovered based on prior reviews of the recordkeeping system or has the system changed since the most recent review? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. Are recordkeeping requirements and practices documented? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

2. Policies, Procedures, and Systems

| Requirements | Response | Issue Type | Comments |
|---|---|--|----------|
| 4. Does the Grantee/Subrecipient have a process in place for communicating changes in recordkeeping requirements and practices to staff? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| Recordkeeping System | | | |
| 5. Does the Grantee/Subrecipient maintain at least the following three categories of records: <ul style="list-style-type: none"> • Administrative records (personnel, property management, general program, legal) • Financial records (chart of accounts manual on accounting procedures, accounting journals and ledgers, procurement files, bank account records, audit files, etc.) • Project/case files (documentation of activities undertaken related to beneficiaries, property owners, and/or properties)? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 6. Is there evidence that the Grantee/Subrecipient requires that adequate documentation be maintained in accordance with the Binding Agreement and Federal, State, Local, and CDBG requirements? Adequate documentation means knowing: <ul style="list-style-type: none"> • What information needs to be collected and why. • When that information should be collected (and how often). • How the information should be acquired, organized, and stored. • How the information should be reported. • The required retention period for records. | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 7. Does the Grantee/Subrecipient have a process in place for specifying reporting requirements to contracted entities? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 8. Has the Grantee/Subrecipient defined the required retention period for records (State requires a minimum of five years after closeout)? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 9. <u>Access to Records</u> – Do the recordkeeping practices include providing authorized agencies and/or citizens with access to records and/or personnel as required? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

3. Validation of Financial Management System

| Requirements | Response | Issue Type | Comments |
|---|---|--|----------|
| 3.1 Establishing DR CDBG Funds Account | | | |
| Description: Use this Section to assure that the applicable process has been followed to establish the Grantee/Subrecipient's DR CDBG Funds Account. | | | |
| 1. Has the Grantee/Subrecipient's disaster recovery CDBG funds account been reviewed during a previous monitoring review? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 1.1. Have any issues been discovered based on prior reviews of the Grantee/Recipient/Subrecipient's DR CDBG funds account? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. Has the Grantee/Subrecipient setup a non-interest bearing account for disaster recovery funds? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. Is the Grantee/Subrecipient using its general bank account? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3.1. If the Grantee/Subrecipient is using this account, is this an interest-bearing account? Note: If interest is accrued on Disaster Recovery CDBG funds, the OCD/DRU must collect it from the Grantee/Subrecipient. | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4. Is the account used by the Grantee/Subrecipient FDIC insured? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4.1. If applicable, is the bank providing collateral to secure all funds in excess of FDIC limits? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3.2 Financial Administration | | | |
| Description: Review the Grantee/Subrecipient's Financial Administration System and use this Section to assure that it meets the standards set forth in 24 CFR 84.21, 24 CFR 85.20, and 24 CFR 570.502 | | | |
| 1. Has the Grantee/Subrecipient's financial administration system been reviewed during a previous monitoring review? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 1.1. Were issues identified in previous reviews? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

3. Validation of Financial Management System

| Requirements | Response | Issue Type | Comments |
|---|---|--|----------|
| 2. Has the Grantee/Subrecipient designated someone to be responsible for financial management? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. Does the Grantee/Subrecipient have an accounting system in place that allows for the tracking of receipts and expenditures and the generation of financial statements? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3.1. Is the Grantee/Subrecipient accounting for the Disaster Recovery CDBG funds using a modified accrual basis? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3.2. Is the Grantee/Subrecipient tracking and reporting on each project separately? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

3.3 Financial Reporting and Audits

Description: Use this Section to assure compliance with audit/reporting requirements.

Regulations: 24 CFR 84.26 and/or 24 CFR 85.26.

| | | | |
|--|---|--|--|
| 1. Has the Grantee/Subrecipient conducted an A-133, if required? An A-133 is required if the Grantee/ Subrecipient has expended more than \$500,000 in federal funds within a fiscal year. Obtain the nine digit EIN off of the W-9 and use harvester.census.gov/sac to determine if the A-133 was submitted | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. If an A-133 is not required, has the Grantee/ Subrecipient submitted the other appropriate financial report? <ul style="list-style-type: none"> • Annual sworn financial statement if revenue received was \$50,000 or less • Annual compilation if revenue received was more than \$50,000 but less than \$200,000 • Annual Review, plus agreed upon procedures if revenue received was \$200,000 or more but less than \$500,000 | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. Were findings disclosed in the financial statements that related to issues with internal control and/or compliance with laws, regulations, and provisions of contracts or grant agreements? <i>If yes, document management's response to these findings and set time frame to ensure these issues were corrected.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

3. Validation of Financial Management System

| Requirements | Response | Issue Type | Comments |
|--------------|----------|------------|----------|
|--------------|----------|------------|----------|

3.4 Expenditure Review

Description: Review the Grantee/ Subrecipient’s Financial Management Policies and Procedures. Then, select a draw request sample based on transaction-based sampling methodology. For each draw request, select a sample of invoices based on the transaction-based sampling methodology to determine if costs are allowable and support documentation is sufficient. Answer each question as directed and mark “N/A”, “Finding”, or “Concern” to identify any issues, as applicable. Provide comments for your responses in the identified areas.

Documents Required:

- Budget
- Sample of Draw Requests submitted by Grantee/Subrecipient to OCD/DRU
- Draw Request included in the sample should be submitted at least one month prior to receiving the Notification Letter.
- Supporting Documentation for each Draw Request reviewed

Transaction-based sampling methodology

| Population | More than 200 | 100-199 | 50-99 | 20-49 | Less than 20 |
|----------------------------|---------------|---------|-------|-------|--------------|
| <i>Minimum Sample Size</i> | 65 | 20 | 10 | 5 | 3 |

Note 1: A cost is allowable under the CDBG program if:

- The expenditure is necessary, reasonable, and directly related to the grant.
- The expenditure has been authorized by the Grantee/ Recipient/ Subrecipient (the city or parish that provides the CDBG funds to the Grantee/ Recipient/ Subrecipient), generally through approval of the budget for the activity.
- The expenditure is not prohibited under Federal, state, or local laws or regulations. (24 CFR 85.22 and OMB Cost Principle circulars)
- The expenditure is consistently treated, in the sense that the Grantee/ Recipient/ Subrecipient applies generally accepted accounting standards in computing the cost, and utilizes the same procedures in calculating costs as for its non-Federally assisted activities.
- The cost must be allocable to the CDBG program. A cost is allocable to a particular cost objective (e.g., grant, program, or activity) in proportion to the relative benefits received by that objective.

Note 2: Sufficient Support Documentation

- **Payrolls:** Source documentation should include employment letters and all authorizations for rates of pay, benefits, and employee withholdings. Such documentation might include union agreements or minutes from board of directors’ meetings where salary schedules and benefit packages are established, copies of written personnel policies, W-4 forms, etc. For staff time charged to the CDBG program activity, **time and attendance records should be available.** If an employee’s time is split between CDBG and another funding source, there must be time distribution records supporting the allocation of charges among the sources. Canceled checks from the employees, insurance provider, etc., or evidence of direct deposits will document the actual outlay of funds.
- **Cost of space and utilities:** Space costs must be supported by documentation such as rental or lease agreements. Utility costs will be supported by bills from the utility companies. Both types of expenses will be supported by canceled checks. If the cost of space or utilities is split between the CDBG program and other sources, there must be a reasonable method in place to allocate the charges fairly among the sources, consistent with the guidelines covering allocable costs.
- **Supplies:** Documentation would include purchase orders or requisition forms initiated by an authorized representative of the Grantee/ Recipient/ Subrecipient, an invoice from the vendor (which has been signed-off by the Grantee/ Recipient/ Subrecipient to indicate the goods were received), the canceled check from the vendor demonstrating payment was made, and information regarding where the supplies are being stored and for what cost objective(s) they are being used.

| | | | |
|--|---|--|--|
| 1. Using the transaction-based sampling methodology, select a Sample of Draw Requests to answer questions 1 – 4. Notate the Draw Request numbers in the Comment Field. | N/A | N/A | |
| 2. Do the Draw Requests submitted by the Grantee/Subrecipient include the appropriate certifications? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

| 3. Validation of Financial Management System | | | |
|---|---|--|-----------------|
| Requirements | Response | Issue Type | Comments |
| 3. If program income is received, is the Grantee/ Subrecipient disbursing the program income prior to making further draw requests? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4. Has the Grantee/Subrecipient charged any indirect costs? <i>In addition to the Draw Requests selected, review the results of the Project Checklist(s).</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4.1. If yes, did the Grantee/ Subrecipient submit a federally-approved Indirect Cost Plan to OCD/DRU? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5. <u>Administrative Cost Budget to Actual Review</u> Review the most recent draw request containing administrative charges to answer 5.1 and 5.2. Notate the budget, budget approval date, and current expenditures in the comments field. Review copy of Grantee's latest budget-to-actual reconciliation. | | | |
| • Total Administrative Budget: | N/A | N/A | |
| • Budget Approval Date: | N/A | N/A | |
| • Current Amount Expended: | N/A | N/A | |
| • Date of Latest B-to-A Reconciliation: | NA | NA | |
| 5.1. Are the Grantee/Subrecipient's administrative costs at or below the authorized threshold? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5.2. Do the remaining administrative funds appear to be sufficient to complete all activities within the contract? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <u>Administrative Cost Review</u> | | | |
| Using the transaction-based sampling methodology, select a Sample of Administrative Draw Requests. Notate the DR number, submitted and approved dates and name of person approving the draw request in the Comments Field. | | | |
| <i>NOTE: Depending on the sample size, the Analyst may not use all of the Draw Request Review fields that follow.</i> | | | |
| Then, using the transaction-based sampling methodology, select a Sample of invoices from within the Administrative Draw Request reviewed to determine if cost are allowable and support documentation is sufficient. | | | |
| 6. Draw Request Number | N/A | N/A | |
| 6.1. Date Submitted: | N/A | N/A | |
| 6.2. Submitted by: | N/A | N/A | |
| 6.3. Date Approved: | N/A | N/A | |
| 6.4. Approved by: | N/A | N/A | |
| 6.5. Are Costs Allowable? <i>(Refer to Note 1 in the instructions)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

3. Validation of Financial Management System

| Requirements | Response | Issue Type | Comments |
|---|---|--|----------|
| 6.6. Is the Support Documentation Sufficient? <i>(Refer to Note 2 in the instructions)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 7. Draw Request Number | N/A | N/A | |
| 7.1. Date Submitted: | N/A | N/A | |
| 7.2. Submitted by: | N/A | N/A | |
| 7.3. Date Approved: | N/A | N/A | |
| 7.4. Approved by: | N/A | N/A | |
| 7.5. Are Costs Allowable? <i>(Refer to Note 1 in the instructions)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 7.6. Is the Support Documentation Sufficient? <i>(Refer to Note 2 in the instructions)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 8. Draw Request Number | N/A | N/A | |
| 8.1. Date Submitted: | N/A | N/A | |
| 8.2. Submitted by: | N/A | N/A | |
| 8.3. Date Approved: | N/A | N/A | |
| 8.4. Approved by: | N/A | N/A | |
| 8.5. Are Costs Allowable? <i>(Refer to Note 1 in the instructions)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 8.6. Is the Support Documentation Sufficient? <i>(Refer to Note 2 in the instructions)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 9. Draw Request Number | N/A | N/A | |
| 9.1. Date Submitted: | N/A | N/A | |
| 9.2. Submitted by: | N/A | N/A | |
| 9.3. Date Approved: | N/A | N/A | |
| 9.4. Approved by: | N/A | N/A | |
| 9.5. Are Costs Allowable? <i>(Refer to Note 1 in the instructions)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 9.6. Is the Support Documentation Sufficient? <i>(Refer to Note 2 in the instructions)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 10. Draw Request Number | N/A | N/A | |
| 10.1. Date Submitted: | N/A | N/A | |
| 10.2. Submitted by: | N/A | N/A | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

3. Validation of Financial Management System

| Requirements | Response | Issue Type | Comments |
|---|---|--|----------|
| 10.3.Date Approved: | N/A | N/A | |
| 10.4.Approved by: | N/A | N/A | |
| 10.5.Are Costs Allowable? <i>(Refer to Note 1 in the instructions)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 10.6. Is the Support Documentation Sufficient? <i>(Refer to Note 2 in the instructions)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

| 4. Civil Rights | | | |
|--|---|--|----------|
| Requirements | Response | Issue Type | Comments |
| 4.1 Section 504 | | | |
| <p>Description: Section 504 of the Rehabilitation Act of 1973, as amended, requires that no handicapped individual can be excluded from participation (including employment), denied program benefits, or subjected to discrimination based solely on his or her handicap.</p> <p>Documents Needed:</p> <ul style="list-style-type: none"> • Section 504 Handbook • Grievance Plan • Complaints • Other CDBG-related documentation | | | |
| 1. Has the Grantee/Subrecipient's Section 504 Compliance been previously reviewed? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 1.1. Were issues identified during the previous review? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. Have any self evaluation updates been made since the previous review? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. Has the Grantee/Subrecipient maintained a Section 504 Self Evaluation? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4. Has the Grantee/Subrecipient completed the Section 504 Assurance? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5. Have any complaints been received? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5.1. If yes, have the complaints been resolved? | <input type="checkbox"/> Yes <input type="checkbox"/> No | N/A | |
| 4.2 Fair Housing | | | |
| <p>Description: Title VIII of the Civil Rights Act of 1968, as amended (referred to as the "Fair Housing Act") prohibits discrimination in housing on the basis of race, color, religion, sex, or national origin. The Grantee/ Subrecipient is required to administer at least one fair housing activity during the project period and maintain documentation of the activity that was or will be conducted.</p> | | | |
| 1. Is the Grantee/Subrecipient ensuring that all activities are implemented to affirmatively promote fair housing? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. Has the Grantee/Subrecipient administered at least one fair housing activity within the last year? Notate the date and identify the type of activity of the most recent fair housing activity within the Comments field. | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. Have any complaints been received? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3.1. If yes, have the complaints been resolved? | <input type="checkbox"/> Yes <input type="checkbox"/> No | N/A | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

| 4. Civil Rights | | | |
|---|---|--|-----------------|
| Requirements | Response | Issue Type | Comments |
| 4.3 Title VI | | | |
| Description: Title VI of the Civil Rights Act of 1964 states that no person shall be excluded from participation, denied program benefits, or subjected to discrimination on the basis of race, color, or national origin. | | | |
| 1. Is the Grantee/Subrecipient maintaining a record of applicants, direct and indirect beneficiaries by race, color, sex, national origin, age and handicap to ensure compliance with Title VI of the Civil Rights Act of 1964? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. Have any complaints been received? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2.1. If yes, have the complaints been resolved? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

4. Civil Rights

| Requirements | Response | Issue Type | Comments |
|--------------|----------|------------|----------|
|--------------|----------|------------|----------|

4.4 Section 3

Description: Section 3 of the Housing and Urban Development Act of 1968 [12 U.S.C. 1701u and 24 CFR Part 135] is HUD’s legislative directive for providing preference to low- and very low-income residents of the local community (regardless of race or gender), and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects. A “covered project” is a project for which Section 3 applies. “Covered funds” are those funds used to fund a “covered project”.

This Section of the Core Checklist is to be used to determine if Section 3 is triggered for the Grantee/ Subrecipient and, if applicable, that the Grantee/Subrecipient has procedures in place for ensuring compliance. Implementation of the Grantee/Subrecipient’s Section 3 procedures will be reviewed using the project checklist by reviewing RFPs, contracts, contractor Section 3 procedures and other supporting documentation.

Section 3 applies to the following HUD assistance (section 3 covered assistance):

- Housing and community development assistance.
 - i. Housing rehabilitation
 - ii. Housing construction
 - iii. Other public construction
- Thresholds.
 - i. Thresholds for section 3 covered housing and community development assistance.
 - a. Grantee/Subrecipient thresholds – The requirements of this part apply to recipients of other housing and community development program assistance for a section 3 covered project(s) for which the amount of assistance exceeds \$200,000.
 - b. Contractor and subcontractor thresholds – The requirements of this part apply to contractors and subcontractors performing work on section 3 covered project(s) for which the amount of assistance exceeds \$200,000; and the contract or subcontract exceeds \$100,000.
 - c. Threshold met for Grantee/Subrecipient, but not for contractors or subcontractors – If a recipient receives section 3 covered housing or community development assistance in excess of \$200,000, but no contract exceeds \$100,000, the section 3 preference requirements only apply to the recipient.

Section 3 Residents are:

- Residents of Public and Indian Housing, or
- Individuals that reside in the metropolitan area or nonmetropolitan parish in which the Section 3 covered assistance is expended and whose income does not exceed the local HUD income limits set forth for low- or very low-income households.

Section 3 Business Concerns are One of the Following:

- Businesses that are 51 percent or more owned by Section 3 residents;
- Businesses with 30 percent or more permanent, full-time employees whom are currently Section 3 residents, or were Section 3 residents within three years of the date of first employment; or
- Businesses that provide evidence of a commitment to subcontract in excess of 25 percent of the dollar amount of all subcontracts to be awarded to businesses that meet the qualifications described above.

| | | | |
|--|---|--|--|
| 1. Has the Grantee/Subrecipient met any of the thresholds for Section 3 covered assistance? <i>If no, the remaining questions within this Section are not applicable.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. Does the Grantee/Subrecipient have a process in place (i.e., “Section 3 Plan”) for notifying Section 3 residents about employment and training opportunities generated by Section 3 covered assistance? [24CFR 135.32 (a)] | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

| 4. Civil Rights | | | |
|---|---|--|----------|
| Requirements | Response | Issue Type | Comments |
| <p>3. Does the Grantee/Subrecipient have a process in place (i.e., "Section 3 Plan") for notifying section 3 business concerns about contracting opportunities generated by Section 3 covered assistance?</p> <p>[24CFR 135.32 (a)]</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>4. Does the Grantee/Subrecipient have a process in place for notifying potential contractors for Section 3 covered projects of the requirements of Section 3, and incorporating the Section 3 clause set forth in [135.38] in all solicitations and contracts?</p> <p>[24 CFR 135.32 (b)]</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>5. Does the Grantee/Subrecipient have a process in place for facilitating the training and employment of Section 3 residents and the award of contracts to Section 3 business concerns by undertaking activities to reach the numerical goals set forth in [135.30]?</p> <p>[24 CFR 135.32(c)]</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>6. Does the Grantee/Subrecipient have a process in place for obtaining the compliance of contractors and subcontractors with the requirements of Section 3 and refraining from entering into any contract with any contractor where the recipient has notice or knowledge that the contractor has been found in violation of the regulations in 24 CFR part 135?</p> <p>[24 CFR 135.32(d)]</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>7. Does the Grantee/Subrecipient have a process in place for documenting actions taken to comply with the requirements of Section 3, the results of actions taken, and impediments, if any?</p> <p>[24 CFR 135.32(e)]</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

5. Subrecipient Management

| Requirements | Response | Issue Type | Comments |
|--------------|----------|------------|----------|
|--------------|----------|------------|----------|

OCD/DRU only monitors those entities for which they have a direct contractual relationship with. If the entity has engaged a Subrecipient to execute a Project, OCD/DRU monitors the Grantee’s management of that Subrecipient.

Example: If a Parish has provided funds to a City to build a community center (via an executed Subrecipient Agreement), OCD/DRU will not monitor the City’s files or the community center project. OCD/DRU only monitors how the Parish is managing/monitoring the City.

5.1 Process Review

Instructions: Execute this Section only if the Grantee is utilizing Subrecipients to carry out their DR CDBG activities. The Grantee should be familiar with guidance provided within HUD guidebook HUD-2005-03-CPD (Managing CDBG – A Guidebook for Subrecipient Oversight) located at <http://www.hud.gov/offices/cpd/communitydevelopment/library/index.cfm>.

Review/Discuss the Grantee’s plan/process for managing its Subrecipients. Answer the following questions accordingly.

| | | | |
|---|---|--|--|
| 1. Does the Grantee have a process in place for managing its Subrecipients? <i>If no, do not proceed within this Section. Technical Assistance is required.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. Has this process been evaluated during any previous monitoring reviews? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2.1. Have any issues been discovered based on previous reviews of the Subrecipient management process or has the process changed since the most recent review? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A | |
| 3. Is this process documented? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4. Does the Grantee have a consistent method in place for communicating process changes to staff? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5. Does the Subrecipient selection process include conducting a pre-award assessment to verify eligibility of proposed activities? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 6. Does the Subrecipient selection process include conducting a pre-award assessment to evaluate how an activity addresses one of the National Objectives? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

| 5. Subrecipient Management | | | |
|--|---|--|-----------------|
| Requirements | Response | Issue Type | Comments |
| 7. Does the Subrecipient selection process include conducting a pre-award assessment to evaluate the adequacy of the proposed program design or service delivery approach? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 8. Does the Subrecipient selection process include conducting a pre-award assessment to assess the Subrecipient's capacity to complete the activity as proposed? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 9. Does the Grantee have a process for identifying Subrecipients as "high risk" (e.g., agencies not familiar with CDBG regulations, with high staff turnover, or carrying out high-risk activities, etc.)? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 10. Does the Grantee have a process for providing orientation, training and technical assistance sessions for their Subrecipients to enhance performance and reduce problems? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 11. Does the Grantee have a process in place to ensure that <u>written</u> Agreements are in effect for each Subrecipient prior to releasing any CDBG funds to the Subrecipient (24 CFR 570.503)? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 12. Does the Grantee have a process in place for approving Subrecipient deliverables? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 13. Does the Grantee have a process in place for receiving and reviewing Subrecipient progress and required financial reports (24 CFR 570.503(b)(2))? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 13.1. Is the reporting mechanism adequate (information required is sufficient to assess Subrecipient performance against specifications in Statement of Work)? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 13.2. Does the Grantee have a process in place to verify the data and beneficiaries reported by Subrecipient? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 14. Does the Grantee have a process for approving Subrecipient activities to ensure compliance with Section 105(a) of the Housing and Community Development Act of 1974 (HCDA)? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 15. Does the Grantee have a process for ensuring that Subrecipient activities meet one of the National Objectives? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/Subrecipient :

Monitor:

Date Completed:

| 5. Subrecipient Management | | | |
|---|---|--|-----------------|
| Requirements | Response | Issue Type | Comments |
| 16. Does the Grantee have a process to ensure that Subrecipients maintain adequate records that comply with program requirements, including record retention? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 17. Does the Grantee have a process for ensuring Subrecipients comply with audit requirements (OMB Circular A-133, annual sworn financial statement, annual compilation, or biennial audit) and conduct appropriate follow-up? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 18. Does the Grantee have a process in place to ensure that the Subrecipients' financial management systems are in compliance with (as applicable) 24 CFR 85.20(b) or 24 CFR 84.21-28? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 19. Does the Grantee have a process in place to ensure Subrecipient compliance with procurement and/or subcontracting requirements of 24 CFR 85.36 (governmental Subrecipients) or 24 CFR 84.40-48 (non-governmental Subrecipients)? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 20. Does the Grantee have a process in place to ensure that Subrecipients have sufficient property management procedures to include identification of CDBG property and assets, such as property records (24 CFR 85.32 (d)(1) and 24 CFR 84.30-37)? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 21. Does the Grantee have a process in place to ensure that Subrecipients have sufficient property management procedures to include adequate safeguards for preventing loss, damage or theft of Subrecipient-held property (24 CFR 85.32 (d)(3)). | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 22. Does the Grantee have a process in place to track of Subrecipient-generated program income and ensuring accurate recording and reporting of income? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 23. Does the Grantee have a process in place to ensure that Subrecipient practices are non-discriminatory? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 24. Does the Grantee have a process in place to ensure that Subrecipient practices further fair housing? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee: _____ **Subrecipient:** _____ **Monitor:** _____ **Date Completed:** _____

5.2 Validation of Subrecipient Management Practices

| Requirement | Response | Issue Type | Comments |
|---|---|--|----------|
| <p>Instructions: Execute this Section if the Grantee has engaged a Subrecipient to execute any projects. Review the Grantee’s Subrecipient Management Processes prior to executing this Section. Then, select one Subrecipient. Notate the name of the Subrecipient and the justification for selecting the Subrecipient in the Comments field of Question 1. Answer questions 2 – 19 for the selected Subrecipient.</p> <p>For the Monitoring Section, select one project implemented by the Subrecipient and note the Project name, ID and justification for selecting the project in the Comments field of Question 20. Review the Grantee’s monitoring file for the selected file to determine if the Grantee has <u>adequately monitored</u> the Subrecipient’s Project. If there is no evidence of monitoring, TA is required.</p> <p>Documents Needed:</p> <ul style="list-style-type: none"> • Subrecipient Agreement • Subrecipient’s Certificate of Insurance • Grantee/ Recipient Subrecipient Monitoring Report • Evidence of Monitoring for Project Selected | | | |
| 1. Subrecipient Name/Justification for Selection | N/A | N/A | |
| 2. Has the Subrecipient submitted a current copy of its Certificate of Insurance? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2.1. Is the Grantee/Recipient named as an additional insured? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| Subrecipient Agreement Requirements | | | |
| 3. <u>Subrecipient Agreement</u> - Does the Subrecipient Agreement contain the Contract Begin Date? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4. <u>Subrecipient Agreement</u> -. Does the Subrecipient Agreement contain the Contract Term and Termination Date? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5. <u>Subrecipient Agreement</u> - Does the Subrecipient Agreement contain the maximum contract amount? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 6. <u>Subrecipient Agreement</u> - Does the Subrecipient Agreement contain the payment schedule? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 7. <u>Subrecipient Agreement</u> - Does the Subrecipient Agreement contain the method of compensation (Reimbursement of allowable costs is only acceptable method)? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 8. <u>Subrecipient Agreement</u> - Does the Subrecipient Agreement contain an Itemized Budget? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee: _____ **Subrecipient:** _____ **Monitor:** _____ **Date Completed:** _____

| 5.2 Validation of Subrecipient Management Practices | | | |
|--|---|--|-----------------|
| Requirement | Response | Issue Type | Comments |
| 9. <u>Subrecipient Agreement</u> - Does the Subrecipient Agreement contain a description of the work to be performed? At a minimum (see 24 CFR 570.503(b)), the description of the work should include the following: <ul style="list-style-type: none"> • Scope of Services • Goals and Objectives • Deliverables Schedule • Performance Measures/Service Level Agreements • Monitoring Plan | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 10. <u>Subrecipient Agreement</u> - Does the Subrecipient Agreement contain a Conflict of Interest Provision? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 11. <u>Subrecipient Agreement</u> - Does the Subrecipient Agreement contain the requirement to maintain a Code of Ethics? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 12. <u>Subrecipient Agreement</u> - Does the Subrecipient Agreement contain a description and schedule of financial and administrative reporting, including provisions to comply with applicable OMB Circulars and 24 CFR 85.41? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 13. <u>Subrecipient Agreement</u> - Does the Subrecipient Agreement contain an Access to Records Clause; Auditor Clause (including Legislative Auditor and DOA Auditors)? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 14. <u>Subrecipient Agreement</u> - Does the Subrecipient Agreement contain Record Keeping and Reporting Requirements? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 15. <u>Subrecipient Agreement</u> - Does the Subrecipient Agreement contain Program Income requirements? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 16. <u>Subrecipient Agreement</u> - Does the Subrecipient Agreement contain Procedures for use and reversion of assets? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 17. <u>Subrecipient Agreement</u> - Does the Subrecipient Agreement contain a provision requiring Compliance with all applicable federal, state, and local statutes, laws, codes and regulations? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 18. <u>Subrecipient Agreement</u> - Does the Subrecipient Agreement contain a provision addressing Suspension and Termination? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee: _____ **Subrecipient:** _____ **Monitor:** _____ **Date Completed:** _____

5.2 Validation of Subrecipient Management Practices

| Requirement | Response | Issue Type | Comments |
|--|---|--|----------|
| 19. <u>Subrecipient Agreement</u> - Does the Subrecipient Agreement contain a provision requiring compliance with uniform administrative requirements (24 CFR 570.502) | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| Monitoring | | | |
| 20. Select a Project implemented by the Subrecipient in order to validate the Grantee's Subrecipient Monitoring practices. Notate the Project and Justification for Selection in the Comments field. | N/A | N/A | |
| 21. Is there evidence that the Grantee/Recipient has monitored the selected Subrecipient Project? If there is no evidence of monitoring, TA is required. | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 22. Is there evidence that the Grantee has monitored the procurements related to the project selected? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 23. Is there evidence that the Grantee has monitored for labor compliance? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 24. Is there evidence that the Grantee has reviewed the expenditures to determine if costs were supported and allowable? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 25. Is there evidence that the Grantee has monitored for Section 3 compliance? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 26. Is there evidence that the Grantee has monitored to determine compliance with Environmental Review requirements? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee: _____ **Subrecipient:** _____ **Monitor:** _____ **Date Completed:** _____

| 5.2 Validation of Subrecipient Management Practices | | | |
|---|---|--|-----------------|
| Requirement | Response | Issue Type | Comments |
| 27. Is there evidence that the Grantee has monitored to determine compliance with Acquisition/Relocation and URA requirements? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 28. Is there evidence that the Grantee has monitored to determine compliance with property management requirements? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 29. Is there evidence that the Grantee has monitored to determine compliance with Lead-Based Paint, Asbestos, and Mold requirements? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 30. <u>Monitoring</u> – Is there documentation of conclusions reached, and improvements or corrective actions necessary? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 31. <u>Monitoring</u> – If applicable, is there evidence that the Grantee ensured that the Subrecipient completed any necessary corrective actions? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 32. <u>Monitoring</u> Is there evidence that the Grantee ensured that the Subrecipient complied with the Scope of Services, Goals and Objectives, Deliverables Schedule and Performance Measures/Service Level Agreements as written within the Subrecipient Agreement? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/ Subrecipient :

Monitor:

Date Completed:

6. File Review – ONSITE ONLY

| Requirements | | Response | Issue Type | Comments |
|---|---|--|------------|----------|
| <p>Instructions: Use this Section to indicate the completeness of the files reviewed during the onsite review. Refer to Section 4 of the Disaster Recovery Administrative Manual for a list of documents that should be kept in each file. Additionally, if a Project Review has recently occurred (or is underway), the Monitor may use the results of the Project Review to draw conclusions regarding the sufficiency of the files.</p> <p>Only the Grantee/Subrecipient files are reviewed in this Section. If OCD/DRU does not have a direct contractual relationship with the entity, OCD/DRU will not monitor the entity’s files.</p> <p><i>Example: If a Parish has provided funds to a City to build a community center (via an executed Subrecipient Agreement), the OCD/DRU will not monitor the City’s files or the community center project. The OCD/DRU only monitors how the Parish is managing/monitoring the City.</i></p> | | | | |
| 1. Are the Grantee/Subrecipient’s General files complete and orderly? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | |
| 2. Review the Grantee’s Citizen Participation Files. Are the files complete and orderly? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | |
| 3. Review the Grantee/Subrecipient’s Procurement and Contracting files. Are the files complete and orderly? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | |
| 4. Review the Grantee/Subrecipient’s Management/Personnel files. Are the files complete and orderly? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | |
| 5. Review the Grantee/Subrecipient’s Monitoring files. Are the files complete and orderly? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | |
| 6. Review the Grantee/Subrecipient’s Acquisition files. Are the files complete and orderly? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | |
| 7. Review the Grantee/Subrecipient’s Relocation files. Are the files complete and orderly? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | |
| 8. Review the Grantee/Subrecipient’s Section 504 files. Are the files complete and orderly? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | |
| 9. Review the Grantee/Subrecipient’s Equal Opportunity files. Are the files complete and orderly? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | |
| 10. Review the Grantee/Subrecipient’s Labor files. Are the files complete and orderly? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | |
| 11. Review the Grantee/Subrecipient’s audit files (i.e., A-133, Financial Statement, etc.). Are the files complete and orderly? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/ Subrecipient :

Monitor:

Date Completed:

6. File Review – ONSITE ONLY

| Requirements | | Response | Issue Type | Comments |
|---|---|--|------------|----------|
| 12. Review the Grantee/Subrecipient's Environmental Review files (i.e., ERR, Release of Funds). Are the files complete and orderly? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | |
| 13. Review the Grantee/Subrecipient's Close-Out files. Are the files complete and orderly? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | |
| 14. Review the Grantee/Subrecipient's National Objective/Eligible Activities files. Are the files complete and orderly? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | |

OCD/DRU Compliance Monitoring Core Checklist

Grantee/ Subrecipient :

Monitor:

Date Completed:

7. Areas of Merit

Instructions: Document any areas where the Grantee/Subrecipient went above and beyond what was expected.

| Areas of Merit | Comment |
|-------------------------|---------|
| Procurement | |
| Contract Administration | |
| Financial Management | |
| Monitoring | |
| Record Keeping | |
| Civil Rights | |
| Subrecipient Management | |

OCD/DRU Compliance Monitoring Core Checklist

8. Technical Assistance

Instructions: Document any areas where the Grantee/Subrecipient requires Technical Assistance (TA).

| Technical Assistance | Checklist (Core/Project) | Checklist Section | Comment |
|-----------------------------|-------------------------------------|------------------------------|----------------|
| Procurement | | | |
| Contract Administration | | | |
| Financial Management | | | |
| Monitoring | | | |
| Record Keeping | | | |
| Civil Rights | | | |
| Subrecipient Management | | | |



*Office of Community Development/Disaster Recovery Unit
Long-Term Compliance and Monitoring Plan*

*Exhibit 7
Compliance Monitoring Project Checklist*

Revised April 17, 2013

OCD/DRU Compliance Monitoring Project Checklist

TABLE OF CONTENTS

| | |
|--|----|
| 1. Monitoring Instructions..... | 1 |
| 2. Monitoring Prep – Preliminary Data Collection | 3 |
| 3. Document Collection | 6 |
| 4. Citizen Participation..... | 9 |
| 5. National Objective and Eligible Activities | 10 |
| 6. Monitoring | 11 |
| 7. Procurement and Contract Review..... | 12 |
| 8. Labor | 13 |
| 9. Financial Management..... | 16 |
| 10. Section 3 of the HUD Act of 1968..... | 21 |
| 11. Environmental Review..... | 23 |
| 12. Acquisition and Relocation | 24 |
| 13. Property Management | 38 |
| 14. Lead-Based Paint, Asbestos, and Mold..... | 41 |
| 15. Areas of Merit | 43 |
| 16. Technical Assistance..... | 44 |

OCD/DRU Compliance Monitoring Project Checklist

1. Monitoring Instructions

The Monitor should be familiar with the overall monitoring strategy prior to executing this checklist. The Monitor should use this checklist to review each Project. The results of all Project Reviews will be used to determine the adequacy of the Grantee/Subrecipient’s policies and procedures, compliance with program/project requirements, and need for technical assistance.

The following steps should be taken to perform a Project Review:

1. Review the following to obtain an understanding of the program/project grant requirements:
 - a. Governing statutes, regulations and official guidance;
 - b. Grant Agreements;
 - c. Action Plans and Amendments; and,
 - d. Waivers.
2. Review the following to obtain an understanding of the project:
 - a. Grantee/Subrecipient’s Procurement, Contract Management, Financial Management, and Monitoring Policies and Procedures
 - b. Contractor’s policies and procedures as it relates to project execution;
 - c. Binding Agreement executed between the Grantee/Recipient/Subrecipient and the OCD/DRU; and,
 - d. Project Application.
3. Complete Monitoring Prep Section
 - a. Execute Section 2 of this Checklist, “Monitoring Prep - Preliminary Data Collection”
 - b. Collect the required documentation (See Section 3 of this Checklist, “Monitoring Prep – Document Collection”)
4. Select contractors/contracts to be reviewed. (Worksheets should be completed for each contractor/contracts selected to review procurement, contract, labor, and Section 3 documentation.) If the Grantee/Subrecipient has not engaged any contractors or vendors to execute the project (i.e., they are performing the work “in-house”), the responses to the applicable Project Worksheet questions should be based on the “in-house” activities (i.e., invoicing and labor review of the public works department implementing the CDBG-funded project).
 - a. If five or fewer contractors/vendors have been used to implement the projects, two contractors/vendors should be reviewed, if applicable.
 - b. If six or more contractors/vendors have been used to implement the project, three contractors/vendors should be reviewed, as applicable
 - c. If issues are found within the selected sample, broaden the sample to include additional contractors.
 - d. The number of contractors selected for review may be increased based on the Grantee risk level. The reasoning for selecting the contractors within the sample should be documented.
5. Payrolls for each contractor/vendor reviewed will be required to execute Worksheet 2, Labor Review.
6. Select a sample of Draw Requests to be reviewed to execute Section 9. The supporting documentation for each Draw Request will also be reviewed.
 - a. Determine the total number of Draw Request that has been submitted by the Grantee/Subrecipient from the contractor based on the date of the last review.
 - b. Based upon the total number of number of Draw Request submitted since the last review, use the Transaction-Based Sampling Methodology to determine number of Draw Requests required to be reviewed.
 - c. Using the transaction-based sampling methodology, select a sample of invoices from within each Draw Request reviewed to determine if costs are allowable and support documentation is sufficient.
 - d. If the sample population is more than 100, the monitor should select 20.

Transaction-based sampling methodology

| | | | | | |
|----------------------------|----------------------|----------------|--------------|--------------|---------------------|
| <i>Population</i> | <i>More than 200</i> | <i>100-199</i> | <i>50-99</i> | <i>20-49</i> | <i>Less than 20</i> |
| <i>Minimum Sample Size</i> | 65 | 20 | 10 | 5 | 3 |

7. Execute the remaining applicable Checklist Sections and Worksheets (Worksheets are to be completed for each contractor/vendor reviewed.)

Note: All Sections will not be relevant to each Project Type.

OCD/DRU Compliance Monitoring Project Checklist

- a. Each Section contains a description, detailed instructions, and a list of documents required to complete the Section.
 - b. Refer to the applicable section within the “OCD/DRU Disaster Recovery CDBG Grantee Administrative Manual” for additional guidance
 - c. Complete all questions as indicated. As applicable, mark “N/A”, “Finding”, or “Concern” to identify any issues. Provide comments for your responses in the identified areas.
8. Complete the Areas of Merit and Technical Assistance Sections of the Checklist.

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

2. Monitoring Prep – Preliminary Data Collection

1. Grantee/ Recipient/ Subrecipient: _____

2. Project ID: _____

Project Type: Infrastructure Housing Econ Dev Planning

3. Project Name: _____ Project Description: _____

4. Total Project Budget: _____ CDBG Budget: _____

4.1. More than \$200,000? Yes No

5. Project Risk: High Medium Low

6. Is Construction Involved? Yes No

7. Was Property Acquired? Yes No

7.1. Were owner-occupants, tenants, or businesses displaced? Yes No

8. National Objective(s) selected

| | |
|--|--|
| <input type="checkbox"/> Low to Moderate Income (LMI) Area | <input type="checkbox"/> S/B Spot Basis |
| <input type="checkbox"/> LMI Limited Clientele | <input type="checkbox"/> Urgent Need |
| <input type="checkbox"/> LMI Housing | <input type="checkbox"/> None (Planning/Capacity Building/Admin/Technical Assistance Activities) |
| <input type="checkbox"/> LMI Job Creation and Retention | <input type="checkbox"/> Planning only grants |
| <input type="checkbox"/> Slum and Blight (S/B) Area | |

9. Eligible Activity(ies) selected:

| | |
|--|--|
| <input type="checkbox"/> 105(a)(1) – Acquisition of Real Property | <input type="checkbox"/> 105(a)(15) – Activities Carried Out through Nonprofit Development Organizations – Neighborhood Revitalization, Community Economic Develop, or Energy Conservation |
| <input type="checkbox"/> 105(a)(2) – Public Facilities and Improvements and Privately-Owned Utilities | <input type="checkbox"/> 105(a)(16) – Planning and Capacity Building – Energy Conservation |
| <input type="checkbox"/> 105(a)(3) – Code Enforcement | <input type="checkbox"/> 105(a)(17) – Economic Development Assistance to For-Profit Business |
| <input type="checkbox"/> 105(a)(4) – Clearance, Rehabilitation, Reconstruction, and Construction of Buildings (Including Housing) | <input type="checkbox"/> 105(a)(18): Rehabilitation or Development of Housing |
| <input type="checkbox"/> 105(a)(5) – Architectural Barrier Removal | <input type="checkbox"/> 105(a)(19) – Technical Assistance to Public or Nonprofit Entities |
| <input type="checkbox"/> 105(a)(6) – Loss of Rental Income | <input type="checkbox"/> 105(a)(20) – Housing Services |
| <input type="checkbox"/> 105(a)(7) – Disposition of Real Property | <input type="checkbox"/> 105(a)(21) – Assistance to Institutions of Higher Education |
| <input type="checkbox"/> 105(a)(8) – Public Services | <input type="checkbox"/> 105(a)(22) – Microenterprise Assistance |
| <input type="checkbox"/> 105(a)(9) – Payment of Non-Federal Share | <input type="checkbox"/> 105(a)(23) – In Rem Housing |
| <input type="checkbox"/> 105(a)(10) – Completion of Federal Urban Renewal Projects | <input type="checkbox"/> 105(a)(24) – Homeownership Assistance |
| <input type="checkbox"/> 105(a)(11) – Relocation | <input type="checkbox"/> 105(a)(25) – Lead-based Paint Hazard Evaluation and Reduction |
| <input type="checkbox"/> 105(a)(12) – Planning and Capacity Building – Community Development | |
| <input type="checkbox"/> 105(a)(13) – Program Administration Costs | |
| <input type="checkbox"/> 105(a)(14) – Activities Carried Out through NPSs Acquisition, Construction, Reconstruction, Installation, Rehabilitation, or Planning | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

2. Monitoring Prep – Preliminary Data Collection

10. Contractor/Vendor Summary

List all of the contractors/vendors engaged to execute the project. If the Grantee/Subrecipient has not engaged any contractors or vendors to execute the project (i.e., they are performing the work “in-house”), list the different “in-house” departments here.

| Contractor | Contract Start Date | Contract Expiration Date | Contract Value | Brief Description of Scope of Services |
|------------|---------------------|--------------------------|----------------|--|
| 10.1. | | | | |
| 10.2. | | | | |
| 10.3. | | | | |
| 10.4. | | | | |
| 10.5. | | | | |
| 10.6. | | | | |
| 10.7. | | | | |
| 10.8. | | | | |
| 10.9. | | | | |
| 10.10. | | | | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

2. Monitoring Prep – Preliminary Data Collection

11. Contractor/Vendor Selection

List the Contractors/Vendors selected for the Project Review below. Provide a brief justification for the selection of each contractor/vendor. Project Worksheet questions should be based on the “in-house” activities (i.e., invoicing and labor review of the public works department implementing the CDBG-funded project).

1. If five or fewer contractors/vendors have been used to implement the projects, two contractors/vendors should be reviewed, if applicable.
2. If six or more contractors/vendors have been used to implement the project, three contractors/vendors should be reviewed, as applicable

| Contractor/Vendor | Justification |
|-------------------|---------------|
| | |
| | |
| | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient:

Project ID:

Monitor:

Date Completed:

3. Document Collection

Description: The Monitor must collect the following documents in order to execute the Project Checklist.

Instructions: Work with the appropriate staff to follow up with the Grantee/Subrecipient until the requisite documents are received. Check the box in the “Received?” column once received.

| Section | Type of Applicable Project | Document | Source of Doc | Received? | N/A |
|---|----------------------------|--|--|--------------------------|--------------------------|
| Section 4: Citizen Participation | All | Citizen Participation Plan, if applicable | Application/ Action Plan/ Proposal/Grantee or Subrecipient Project Files | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Evidence of Citizen Participation (Public hearing meeting notices, attendance logs, minutes, etc.) | Grantee/ Subrecipient Project Files | <input type="checkbox"/> | <input type="checkbox"/> |
| Section 5: National Objective and Eligible Activities | All | Project Application | Grantee or Subrecipient Project Files/ GIOS | <input type="checkbox"/> | <input type="checkbox"/> |
| Section 6: Monitoring | All | Monitoring Policies and Procedures (Monitoring Plan) | Grantee/Subrecipient Project Files | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Monitoring Plan Schedule | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Monitoring Results | | <input type="checkbox"/> | <input type="checkbox"/> |
| Section 7: Procurement and Contract Review | All | Procurement Policies and Procedures | Grantee/ Subrecipient Project Files | <input type="checkbox"/> | <input type="checkbox"/> |
| | | For each Procurement/Contract: Justification of services, supplies, procured item(s) | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Advertisement/Publication <i>(Not applicable if services, supplies, or items are procured through the Small Purchase Method)</i> | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Proposals, Statement of Qualifications, Bids, or Quotes received | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Evaluation of all Proposals, Statement of Qualifications, or Bids received <i>(Not applicable if services, supplies, or items are procured through the Small Purchase Method)</i> | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Cost/Price Analysis | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Notice of Contract Award | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Executed Contracts | | <input type="checkbox"/> | <input type="checkbox"/> |
| Evidence of Contractor Clearance <i>(from http://epls.arnet.gov)</i> | <input type="checkbox"/> | <input type="checkbox"/> | | | |

OCD/DRU Compliance Monitoring Project Checklist

| Section | Type of Applicable Project | Document | Source of Doc | Received? | N/A |
|--|-------------------------------------|--|---|--------------------------|--------------------------|
| Section 8: Labor | All Construction Projects | Evidence of Labor Compliance Officer (LCO) Labor Interviews | Grantee/Subrecipient Project Files | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Proof of approval from the OCD/DRU to use Force Account Labor, if applicable | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | LCO Labor Issues Log (including description, issue type, restitution amount, if any) | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | For each Contractor: Verification of Wage Decision Form <i>(Construction contracts exceeding \$2,000)</i> | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Two Weekly Payrolls | | <input type="checkbox"/> | <input type="checkbox"/> |
| Section 9: Financial Management | All | Project Budget | Grantee/Subrecipient Finance and Personnel Files | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Financial Management Policies and Procedures | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Chart of Accounts | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Revenue/Expenditure Report (or "Financial Status Report") | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Bank Statement (Or other documentation required to review Cash Management) | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Most recent project budget reconciliation | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | For each Contractor: Invoice Sample Required Number of Invoices <i>(See Monitoring Instructions for steps to determine invoice sample)</i> | | <input type="checkbox"/> | <input type="checkbox"/> |
| Supporting Documentation for each Invoice | <input type="checkbox"/> | <input type="checkbox"/> | | | |
| Section 10: Section 3 of the HUD Act of 1968 | Construction Projects. ¹ | Section 3 Plan <i>(Only for Construction contracts exceeding \$100,000 to execute a Section 3 covered project.)</i> | Grantee/Subrecipient Project Files | <input type="checkbox"/> | <input type="checkbox"/> |
| Section 11: Environmental Review | All | Applicable Notice <i>(Notice of Acceptance of Exemption, Notice of Release of Funds, Certification of Categorical Exclusion)</i> | Grantee/Subrecipient Project Files or OCD/DRU Environmental Officer | <input type="checkbox"/> | <input type="checkbox"/> |
| | | First Draw Request | | <input type="checkbox"/> | <input type="checkbox"/> |

¹ All housing const., rehab, or other public service const. projects if the Grantee/ Recipient/ Subrecipient has been obligated \$200,000 or more to these project type OR All housing const. rehab or other public service const. projects where a contractor or subcontractor is performing work for which the amount of assistance exceeds \$200,000 and the contract or subcontract exceeds \$100,000

OCD/DRU Compliance Monitoring Project Checklist

| Section | Type of Applicable Project | Document | Source of Doc | Received? | N/A |
|---|--|--|------------------------------------|--------------------------|--------------------------|
| Section 12: Acquisition and Relocation | Projects for which property was acquired | Acquisition/Relocation Log (including property addresses and acquisition type) | Grantee/Subrecipient Project Files | <input type="checkbox"/> | <input type="checkbox"/> |
| | | For Property within URA Property Sample: Address | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Valuation or Appraisal (and review appraisal) | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Statement of Just Compensation (only if acquisition is subject to URA) | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Act of Sale | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Statement of Settlement Costs | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Deed (showing transfer to Grantee/ Recipient/ Subrecipient) | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Proof of Purchase Price (canceled check) | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Relocation Notices | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Proof of Relocation Services Provided | | <input type="checkbox"/> | <input type="checkbox"/> |
| Section 13: Property Management | Projects where real property was purchased | Property Control Tracking Log (including evidence of the most recent inventory) | Grantee/Subrecipient Project Files | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Notification to the OCD/DRU if property has been disposed of | | <input type="checkbox"/> | <input type="checkbox"/> |
| Section 14: Lead-Based Paint, Asbestos, and Mold | Construction Projects | Lead-Based Paint Evaluation or Assessment | Grantee/Subrecipient Project Files | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Lead-Hazard Clearance Report | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Documentation that owners are providing tenants appropriate Lead-based paint pamphlets and disclosure statements (Housing Projects Only) | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Asbestos statutory checklist | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | Mold inspection | | <input type="checkbox"/> | <input type="checkbox"/> |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

4. Citizen Participation

| Requirement | Response | Issue Type | Comments |
|---|---|--|----------|
| <p>Description: The citizen participation requirements were waived for disaster assistance related to Hurricanes Katrina, Rita, Gustav and Ike and replaced with alternate requirements. However, the waiver and alternate requirements still provide for reasonable public notice, appraisal, examination, and comment on the activities proposed for the use of disaster recovery CDBG funds.</p> <p>Monitoring Instructions: Review the methods the Grantee/ Subrecipient used (e.g., public hearing notices, advertisements in print or online media, websites for public comment, etc.) to provide an opportunity for and encourage citizen participation. Complete the following questions as indicated. As applicable, mark “N/A”, “Finding”, or “Concern” to identify any issues. Provide comments for your responses in the identified areas.</p> <p>Documents Needed:</p> <ul style="list-style-type: none"> • Project Application • Citizen Participation Plan, if applicable • Evidence of Citizen Participation (Public hearing meeting notices, attendance logs, minutes, etc.) | | | |
| <p>1. Is there sufficient evidence the Project underwent a citizen participation period prior to project approval?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

5. National Objective and Eligible Activities

| Requirement | Response | Issue Type | Comments |
|--|---|--|----------|
| <p>Description: Any activity undertaken by a Grantee/ Subrecipient must be eligible under the HCDA (Housing and Community Development Act) and meet at least one CDBG National Objective.</p> <p>Monitoring Instructions: Obtain an understanding of all project activities prior to completing this section. Compare the activities identified in the Project Application to these activities to determine if the activities undertaken throughout the project meet the requirements set forth by the National Objective and Eligible Activities selected.</p> <p>Documents Needed:</p> <ul style="list-style-type: none"> Project Application + an understanding of all project activities | | | |
| <p>1. Review the National Objective(s) selected for the project (see project application and/or Section 2). Does the project meet one of the three National Objectives (24 CFR 570.483)? Note any discrepancies.</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>2. Review the Eligible Activity selected for the project (see project application and/or Section 2). Are the project activities eligible? Note any discrepancies.</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>3. Does the Grantee have a process in place for making Subrecipients aware of the National Objective their activity is expected to meet along with the records to be maintained to document compliance?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

6. Monitoring

| Requirement | Response | Issue Type | Comments |
|-------------|----------|------------|----------|
|-------------|----------|------------|----------|

Description: Grantee/Subrecipients are responsible for ensuring that programs meet the compliance requirements within executed agreements, applicable federal, state, and local laws, regulations, and codes. This includes monitoring their projects, project administrators, contractors, and subcontractors.

Monitoring Instructions: Obtain an understanding of the Grantee/Subrecipient’s Monitoring Policies and Procedures. Review the Grantee/Subrecipient’s Monitoring Plan to determine the monitoring schedule. Complete the following questions as indicated. As applicable, mark “N/A”, “Finding”, or “Concern” to identify any issues. Provide comments for your responses in the identified areas.

Documents Needed:

- Monitoring Policies and Procedures (Monitoring Plan)
- Monitoring Plan Schedule
- Grantee/ Subrecipient’s Monitoring Reports, if any

| | | | |
|--|---|--|--|
| 1. Does the Grantee/Subrecipient have an approved Monitoring Plan in place that sufficiently evaluates compliance with contractual, financial, and CDBG requirements? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. Are there sufficient procedures for ensuring the quality of monitoring efforts, including documentation and intended actions, and follow-through on promised actions? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2.1. If no, is the project due for a review, according to the Monitoring Plan/Schedule? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2.2. If yes, notate any concerns or findings identified as a result of the Grantee/ Subrecipient’s monitoring efforts and the follow-up actions taken. | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

7. Procurement and Contract Review

| Requirement | Response | Issue Type | Comments |
|-------------|----------|------------|----------|
|-------------|----------|------------|----------|

Description: The Monitor is charged with determining if the Grantee/Subrecipient is in compliance with the required standards relating to procurement of equipment, supplies, and services (including consulting and construction services, among others). The Monitor is also charged with determining if the contracts resulting from the procurement are complete and consistent with the requirements of the procurement solicitation and the program or project policies and procedures. The checklist questions build upon requirements contained in federal and state statutes, regulations, Executive Orders, and other directives (e.g., OMB Circulars).

Depending upon the nature of the procurement (equipment or supplies, consulting, professional services) or if the procurement involves IT services, specific standards will apply. Grantees/Subrecipients often have prescribed processes that are to be used for negotiating, executing and implementing contracts. These are usually prepared under the supervision and guidance of attorneys.

Monitoring Instructions: Obtain an understanding of the Grantee/Subrecipient’s Procurement and Contract Management Policies and Procedures. Execute the **“Procurement And Contract Review Worksheet”**. Provide comments for your responses in the identified areas.

Complete this Section based upon the procurement process associated with each Contractor within the contract sample. Complete the following questions as indicated.

| | | | |
|--|---|--|--|
| <p>1. After completing the <u>Procurement and Contract Review (Worksheet 1)</u> for each contractor, is there evidence that all procurements were performed according to all applicable federal, state, and local laws, regulations, and codes?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>2. After completing the <u>Procurement and Contract Review (Worksheet 1)</u> for each contractor, is there evidence that all contracts were executed according to all applicable federal, state, and local laws, regulations, and codes?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient:

Project ID:

Monitor:

Date Completed:

8. Labor

| Requirement | Response | Issue Type | Comments |
|-------------|----------|------------|----------|
|-------------|----------|------------|----------|

Description: Grantee/Subrecipients and Contractors implementing projects involving construction contracts are required to comply with applicable labor-related laws and regulations.

Execute questions 1 – 5 and Sections 8.1, 8.2, and 8.3 to obtain an understanding of the Grantee/Subrecipient’s labor compliance process. Then, select a Contractor sample and execute **“Worksheet 2: Labor Review”** to validate the labor compliance process described by the Grantee/Subrecipient. Summarize the results of the Labor Review within questions 6 and 7. Complete Section 8.4 if the review is performed onsite.

Answer all questions as directed and mark “N/A”, “Finding”, or “Concern” to identify any issues, as applicable. Provide comments for your responses in the identified areas.

Documents Needed (if Grantee/Subrecipient is not exempt from Labor Requirements) [see Question 1]:

- Evidence of Labor Compliance Officer (LCO) Labor Interviews
- Proof of approval from the OCD/DRU to use Force Account Labor, if applicable
- LCO Labor Issues Log (including description, issue type, restitution amount, if any)
- Verification of Wage Decision Form
- Contract (including Wage Decision included within contract)
- Contractor Clearance Form

| | | | |
|---|---|--|--|
| <p>1. Is the Grantee/ Subrecipient exempt from Davis-Bacon and Related Acts and the Copeland Anti-Kickback requirements? If yes, do not execute the remainder of this Section.</p> <p><i>All contracts must meet at least one of the following in order for the Grantee/ Subrecipient to be exempt:</i></p> <ul style="list-style-type: none"> • Construction contracts at or below \$2,000 • Rehabilitation or construction of residential structures containing less than eight units; • Simple water and sewer line extensions without pumps, tanks, etc., • Separate and distinct projects. (Contact the OCD/DRU for guidance); or, • Contracts solely for demolition, when no federally-funded construction is anticipated on the site. | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>2. Has the Grantee/ Subrecipient designated a Labor Compliance Officer (LCO)?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>3. Is there evidence that the LCO has informed the contractors of their responsibilities regarding labor compliance? (Typically found within the contract.)</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>4. Is there evidence that the LCO has confirmed that the contractors have informed its subcontractors of their responsibilities regarding labor compliance? (Typically found within the contract.)</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient:

Project ID:

Monitor:

Date Completed:

| 8. Labor | | | |
|---|---|--|-----------------|
| Requirement | Response | Issue Type | Comments |
| <p>5. Does the LCO have a process in place for ensuring that all laborers and mechanics employed by contractors or subcontractors in performance of construction work under the project are paid the appropriate prevailing wage rate(s)? (<i>Davis-Bacon Act (40 U.S.C. §3141, et seq., 276a to 276 a-7 as implemented in 29 CFR Part 5)</i>)</p> <p>If no: Indicate a finding within the Monitoring Report and require a corrective action plan. Worksheet 2 does not need to be executed.</p> <p>If yes: Execute Worksheet 2 for a sample of contractors to validate that the prescribed processes are implemented. Sampling instructions are provided in Worksheet 2.</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>6. After completing the Labor Review (Worksheet 2) for each Contractor, is there evidence that the Grantee/Subrecipient’s labor review process adequately ensures compliance with Davis-Bacon requirements?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>7. During the completion of the Labor Review (Worksheet 2), were labor compliance issues identified?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 8.1 Onsite Interviews | | | |
| <p>1. Is there evidence that contractor employee interviews are being performed by the Grantee/Subrecipient’s LCO?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>2. Is there evidence that the LCO confirmed that the job site met all federal requirements regarding the posting of labor-related information?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 8.2 Force Account Labor | | | |
| <p>1. Has the Grantee/Subrecipient elected to utilize Force Account Labor in implementing the project?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>2. Did the Grantee/Subrecipient receive written approval from the OCD/DRU prior to utilizing Force Account Labor?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 8.3 Issue Identification and Compliance Enforcement | | | |
| <p>1. Has the LCO identified any labor compliance issues?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>2. Did the LCO notify the contractor of all issues and request certified corrected payrolls?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>2.1. Did the contractor provide certified corrected payrolls for all labor compliance issues?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| <p>3. Did any issues require restitution to the employee?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient:

Project ID:

Monitor:

Date Completed:

| 8. Labor | | | |
|---|---|--|-----------------|
| Requirement | Response | Issue Type | Comments |
| 4. Did the contractor provide evidence that restitution was paid to the employee within its certified corrected payrolls? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5. If the issue was related to overtime, did the LCO inform the contractor of its options (request waiver or pay liquidated damages)? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5.1. Were the procedures described in the "OCD/DRU Disaster Recovery Grantee Administrative Manual" followed to resolve the liquidated damages issue? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 6. Have all labor compliance issues been resolved? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 8.4 Labor Files Review - ONSITE ONLY | | | |
| 1. Do the Grantee/Subrecipient's Labor Standards Files contain Contractor's License Forms? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. Do the Grantee/Subrecipient's Labor Standards Files contain evidence of apprenticeship/trainee registration & certification if apprentice/trainee rates were paid? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. Do the Grantee/Subrecipient's Labor Standards Files contain complaints from workers, if any, and actions taken? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4. Do the Grantee/Subrecipient's Labor Standards Files contain Supplementary Statement? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5. Do the Grantee/Subrecipient's Labor Standards Files contain Labor Standards Enforcement Report? <i>Report required when any Contractor has restitution over \$1,000.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 6. Do the Grantee/Subrecipient's Labor Standards Files contain Notification of Underpayment or Withholding? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 7. Do the Grantee/Subrecipient's Labor Standards Files contain Wage Rate Determination? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 8. Do the Grantee/Subrecipient's Labor Standards Files contain Payroll Documentation, to include the following: <ul style="list-style-type: none"> • Payroll deduction authorizations • Contractor's/Subcontractor's New Employee Information Form • Contractor's/Subcontractor's Existing Employee Information Form • Fringe Benefit Verification | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

9. Financial Management

| Requirements | Response | Issue Type | Comments |
|---|----------|------------|----------|
| <p>Description: A Grantee/Subrecipient’s financial management system must ensure that all expenditures are reasonable, related to allowable activities, in compliance with applicable laws, rules, and regulations, and are properly supported by appropriate documentation. Grantee/Subrecipients must track and report each project separately.</p> <p>Monitoring Instructions: Obtain an understanding of the Grantee/Subrecipient’s Financial Management Policies and Procedures. Review the total amount budgeted and total amount expended for the Project.</p> <p>Documents Needed:</p> <ul style="list-style-type: none"> • Policies and Procedures • Project Budget Report • Revenue/Expenditure Report (or “Financial Status Report”) • Chart of Accounts • Bank Statement (Or other documentation required to review cash management) • Most recent project budget reconciliation | | | |

9.1 Expenditure Review

| | | | |
|--|---|--|--|
| 1. Were indirect costs charged to the project? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 1.1. If yes, did the Grantee/Subrecipient submit a federally-approved Indirect Cost Plan to the OCD/DRU? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient:

Project ID:

Monitor:

Date Completed:

9. Financial Management

Requirements

Response

Issue Type

Comments

9.2 Support Documentation/Allowable Costs Summary

Instructions: Review the Grantee/Subrecipient’s Financial Management Policies and Procedures. Using the transaction-based sampling methodology, select a Sample of Draw Requests. Notate the DR number, submitted and approved dates and name of person approving the draw request in the Comments Field. Then, using the transaction-based sampling methodology, select a sample of invoices from within each Draw Request reviewed to determine if costs are allowable and support documentation is sufficient.

NOTE: Depending on the sample size, the Analyst may not use all of the Draw Request Review fields that follow.

Answer each question as directed and mark “N/A”, “Finding”, or “Concern” to identify any issues, as applicable. Provide comments for your responses in the identified areas.

Transaction-based sampling methodology

| <i>Population</i> | <i>More than 200</i> | <i>100-199</i> | <i>50-99</i> | <i>20-49</i> | <i>Less than 20</i> |
|----------------------------|----------------------|----------------|--------------|--------------|---------------------|
| <i>Minimum Sample Size</i> | 65 | 20 | 10 | 5 | 3 |

Note 1: A cost is allowable under the CDBG program if:

- The expenditure is necessary, reasonable, and directly related to the grant.
- The expenditure has been authorized by the Grantee/ Subrecipient (the city or parish that provides the CDBG funds to the Grantee/ Subrecipient), generally through approval of the budget for the activity.
- The expenditure is not prohibited under Federal, state, or local laws or regulations. (24 CFR 85.22, 24 CFR 84.27 and OMB Cost Principle circulars)
- The expenditure is consistently treated, in the sense that the Grantee/ Subrecipient applies generally accepted accounting standards in computing the cost, and utilizes the same procedures in calculating costs as for its non-Federally assisted activities.
- The cost must be allocable to the CDBG program. A cost is allocable to a particular cost objective (e.g., grant, program, or activity) in proportion to the relative benefits received by that objective.

Note 2: Sufficient Support Documentation (list is not all-inclusive):

- **Payrolls:** Source documentation should include employment letters and all authorizations for rates of pay, benefits, and employee withholdings. Such documentation might include union agreements or minutes from board of directors’ meetings where salary schedules and benefit packages are established, copies of written personnel policies, W-4 forms, etc. For staff time charged to the CDBG program activity, **time and attendance records should be available.** If an employee’s time is split between CDBG and another funding source, there must be time distribution records supporting the allocation of charges among the sources. Canceled checks from the employees, insurance provider, etc., or evidence of direct deposits will document the actual outlay of funds.
- **Cost of space and utilities:** Space costs must be supported by documentation such as rental or lease agreements. Utility costs will be supported by bills from the utility companies. Both types of expenses will be supported by canceled checks. If the cost of space or utilities is split between the CDBG program and other sources, there must be a reasonable method in place to allocate the charges fairly among the sources, consistent with the guidelines covering allocable costs.
- **Supplies:** Documentation would include purchase orders or requisition forms initiated by an authorized representative of the Grantee/ Subrecipient, an invoice from the vendor (which has been signed-off by the Grantee/ Subrecipient to indicate the goods were received), the canceled check from the vendor demonstrating payment was made, and information regarding where the supplies are being stored and for what cost objective(s) they are being used.

Documents Required:

- Contract
- Required Draw Requests (Draw Requests included in the sample should be submitted at least one month prior to receiving the Notification Letter.)
- Supporting Documentation for each Draw Request reviewed

| | | | |
|---|---|--|--|
| 2. <i>Is the Contract Effective Date prior to the period covered by the first invoice? Notate Period covered by first invoice and contract effective date</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. <i>Do the Draw Requests include the appropriate certifications?</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4. <i>Draw Request Review – Draw Request Number</i> | N/A | N/A | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient:

Project ID:

Monitor:

Date Completed:

9. Financial Management

| Requirements | Response | Issue Type | Comments |
|--|---|--|----------|
| 4.1. Date Submitted: | N/A | N/A | |
| 4.2. Submitted by: | N/A | N/A | |
| 4.3. Date Approved: | N/A | N/A | |
| 4.4. Approved by: | N/A | N/A | |
| 4.5. Are Costs Allowable? <i>(Refer to Note 1 in the instructions)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4.6. Is the Support Documentation Sufficient? <i>(Refer to Note 2 in the instructions)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5. Draw Request Review – Draw Request Number | N/A | N/A | |
| 5.1. Date Submitted: | N/A | N/A | |
| 5.2. Submitted by: | N/A | N/A | |
| 5.3. Date Approved: | N/A | N/A | |
| 5.4. Approved by: | N/A | N/A | |
| 5.5. Are Costs Allowable? <i>(Refer to Note 1 in the instructions)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5.6. Is the Support Documentation Sufficient? <i>(Refer to Note 2 in the instructions)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 6. Draw Request Review – Draw Request Number | N/A | N/A | |
| 6.1. Date Submitted: | N/A | N/A | |
| 6.2. Submitted by: | N/A | N/A | |
| 6.3. Date Approved: | N/A | N/A | |
| 6.4. Approved by: | N/A | N/A | |
| 6.5. Are Costs Allowable? <i>(Refer to Note 1 in the instructions)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 6.6. Is the Support Documentation Sufficient? <i>(Refer to Note 2 in the instructions)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 7. Draw Request Review – Draw Request Number | N/A | N/A | |
| 7.1. Date Submitted: | N/A | N/A | |
| 7.2. Submitted by: | N/A | N/A | |
| 7.3. Date Approved: | N/A | N/A | |
| 7.4. Approved by: | N/A | N/A | |
| 7.5. Are Costs Allowable? <i>(Refer to Note 1 in the instructions)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 7.6. Is the Support Documentation Sufficient? <i>(Refer to Note 2 in the instructions)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 8. Draw Request Review – Draw Request Number | N/A | N/A | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

9. Financial Management

| Requirements | Response | Issue Type | Comments |
|---|---|--|----------|
| 8.1. Date Submitted: | N/A | N/A | |
| 8.2. Submitted by: | N/A | N/A | |
| 8.3. Date Approved: | N/A | N/A | |
| 8.4. Approved by: | N/A | N/A | |
| 8.5. Are Costs Allowable? (Refer to Note 1 in the instructions) | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 8.6. Is the Support Documentation Sufficient? (Refer to Note 2 in the instructions) | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

9.3 Cash Management Review

| | | | |
|--|---|--|--|
| 9. Has the Grantee/ Subrecipient minimized the time between funds receipt and disbursal? (Generally disbursed within 3 working days). <i>Notate the date funds were received from the OCD/DRU and the date the funds were disbursed to the Contractor/Subrecipient.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
|--|---|--|--|

9.4 Budget to Actual Reconciliation Review

Instructions: Review the Project Budget and the current expenditures (from the latest Draw Request). List items identified as Project Delivery Costs from Project Application under the heading labeled “5.1 Project Delivery Costs”. List items identified as Project Costs from Project Application under the heading labeled “5.2 Project Costs”.

Project Delivery Costs vs. Project Costs

- Project Delivery Costs are used specifically to meet the requirements to complete a particular project, especially as it applies to meeting CDBG requirements. This would include such things as eligibility verification, environmental clearance, project monitoring, application development, etc.
- Project Costs are the direct costs of the project, such as the amount of the actual loan or grant provided, construction costs, etc.

| | | | | |
|--|---|--|---|--|
| 1. Has a budget reconciliation been performed? <i>If no, do not proceed with this section until a reconciliation is received from the Grantee/Subrecipient.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | | | |
| 2. CDBG Project Budget: | | | | |
| 2.1. Budget Approval Date: | | | | |
| 3. Current Amount Expended: | | | | |
| 3.1. Reconciliation Date: | | | | |
| 4. Do the Project Delivery Costs fall within 15% of total project budget? <i>Notate the Project Budget, Project Costs, and Project Delivery Costs.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | |
| 5. Budget/Actual Detail | Budgeted Amount | Actual Amount | On Track? | |
| 5.1. Project Delivery Costs | | | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern |
| 5.1.1. | | | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern |
| 5.1.2. | | | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient:

Project ID:

Monitor:

Date Completed:

9. Financial Management

| Requirements | | | Response | Issue Type | Comments |
|--------------------|--|--|---|--|----------|
| 5.1.3. | | | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5.1.4. | | | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5.2. Project Costs | | | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5.2.1. | | | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5.2.2. | | | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5.2.3. | | | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

10. Section 3 of the HUD Act of 1968

| Requirements | Response | Issue Type | Comments |
|--------------|----------|------------|----------|
|--------------|----------|------------|----------|

Description: Section 3 of the Housing and Urban Development Act of 1968 [12 U.S.C. 1701u and 24 CFR Part 135] is HUD’s legislative directive for providing preference to low- and very low-income residents of the local community (regardless of race or gender), and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects. A “covered project” is a project for which Section 3 applies. “Covered funds” are those funds used to fund a “covered project”.

This Section of the Core Checklist is to be used to determine if Section 3 is triggered for the Grantee/ Subrecipient and, if applicable, that the Grantee/Subrecipient has procedures in place for ensuring compliance. Implementation of the Grantee/Subrecipient’s Section 3 procedures will be reviewed using the project checklist by reviewing RFPs, contracts, contractor Section 3 procedures and other supporting documentation.

Section 3 applies to the following HUD assistance (section 3 covered assistance):

- Housing and community development assistance.
 - i. Housing rehabilitation
 - ii. Housing construction
 - iii. Other public construction
- Thresholds.
 - i. Thresholds for section 3 covered housing and community development assistance.
 - a. Grantee/Subrecipient thresholds – The requirements of this part apply to recipients of other housing and community development program assistance for a section 3 covered project(s) for which the amount of assistance exceeds \$200,000.
 - b. Contractor and subcontractor thresholds – The requirements of this part apply to contractors and subcontractors performing work on section 3 covered project(s) for which the amount of assistance exceeds \$200,000; and the contract or subcontract exceeds \$100,000.
 - c. Threshold met for Grantee/Subrecipient, but not for contractors or subcontractors – If a recipient receives section 3 covered housing or community development assistance in excess of \$200,000, but no contract exceeds \$100,000, the section 3 preference requirements only apply to the recipient.

Monitoring Instructions:

Complete the following questions by marking the appropriate box for “Yes”, “No”, or “N/A”. As applicable, mark “N/A”, “Finding” or “Concern” to identify any issues. Provide comments describing the basis for your response in the space provided.

Required:

- Knowledge of Grantee/ Subrecipient’s total allocation and all project activities
- Executed Worksheet 1 for the contractor (or the applicable procurement solicitation)
- Contract
- Contractor’s Section 3 Plan

| | | | |
|---|---|--|--|
| 1. Has the Grantee met any of the thresholds for Section 3 covered assistance? (See the Core Checklist, Section 4.4.) <i>If no, the remaining questions within this Section are not applicable.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. After completing <u>Procurement and Contract Review (Worksheet 1, Procurement Requirements: Question 41)</u> for each contractor in the sample, was it determined that the Grantee included a Section 3 clause within the applicable procurement solicitations? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient:

Project ID:

Monitor:

Date Completed:

10. Section 3 of the HUD Act of 1968

| Requirements | Response | Issue Type | Comments |
|---|---|--|----------|
| 3. After completing Procurement and Contract Review (Worksheet 1, Contract Requirements: Question 10) for each contract in the sample, was it determined that the Grantee included a Section 3 clause within each of the applicable contracts? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4. New Hire Goal – After completing the Section 3 Review (Worksheet 3, Question 12) for each contract within the sample, have any contractors hired employees to work on this project? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5. Has each contractor within the sample demonstrated that, to the greatest extent feasible, it has made an effort to ensure that the employment objectives of its Section 3 Plan(s) are met? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 6. Contracting Goal - After completing the Section 3 Review (Worksheet 3, Question 13) for each contract within the sample, has any contractor entered into any contracts to execute this Project? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 7. Has each contractor within the sample demonstrated that, to the greatest extent feasible, it has made an effort to ensure that the contracting objectives of its Section 3 Plan are met? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient:

Project ID:

Monitor:

Date Completed:

11. Environmental Review

| Requirements | Response | Issue Type | Comments |
|--------------|----------|------------|----------|
|--------------|----------|------------|----------|

Description: Every project undertaken with DR CDBG funds is subject to the provisions of the National Environmental Policy Act of 1969 (NEPA), as well as the HUD environmental review regulations at 24 CFR Part 58. The Grantee/ Subrecipient is responsible for ensuring that an Environmental Review Record (ERR) is prepared for all activities associated with a project and environmental clearance is obtained prior to committing funds. No party involved with the project, including Grantee/ Subrecipients, may commit funds to the project, including incurring project costs, until the Grantee/ Subrecipient completes the appropriate environmental review and public notification process, and HUD approves a certification of compliance with environmental laws and request for release of funds from environmental conditions.

Monitoring Instructions: The Grantee/Subrecipient is required to submit various documents to the OCD/DRU throughout the establishment of the Environmental Review Record. The OCD/DRU will issue a “*Notice of Acceptance of Exemption*” or “*Notice of Release of Funds*” once all environmental requirements have been satisfied. Complete the following questions by marking the appropriate box for Yes/No. Also notate the date that the Notice was received and the date the first costs were obligated or incurred by the Grantee/ Subrecipient. As applicable, mark “N/A”, “Finding”, or “Concern” to identify any issues. Provide comments for your responses in the identified areas.

Documents Needed:

- The appropriate notice(s):
 - *Notice of Acceptance of Exemption* (if exempt)
 - *Notice of Release of Funds* (if excluded and subject to 24 CFR part 58.35(a) or not exempt or excluded)
 - *Certification of Categorical Exclusion* (if categorically excluded)
- Date first costs were obligated or incurred

| | | | |
|--|---|--|--|
| 1. Does the Grantee/Subrecipient have a process in place for ensuring compliance with environmental requirements? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. Was the proper Notice/Certification obtained prior to commitment of funds (24 CFR 58.22)? <i>Note the date the Notice of Acceptance of Funds, Notice of Release of Funds or Certification of Categorical Exclusion was received and date first costs were obligated or incurred</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. Is there sufficient evidence that environmental requirements were met? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

11.1 Environmental Records – ONSITE ONLY

| | | | |
|---|---|--|--|
| 1. Does the Grantee/Subrecipient maintain a copy of the Environmental Review Record that includes an accurate description of the project/activity? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. Does the Grantee/Subrecipient maintain environmental documentation related to determinations, findings, public notices, consultation and coordination, certifications and approvals? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

12. Acquisition and Relocation

| Requirements | Response | Issue Type | Comments |
|--------------|----------|------------|----------|
|--------------|----------|------------|----------|

Description: If occupants are displaced as a result of project activities, the Grantee/ Recipient/ Subrecipient is required to abide by the requirements of the Uniform Relocation Act (URA), the Real Property Acquisition Act of 1970, as amended, and Section 104(d) of the Housing and Community Development Act of 1974 (HCDA) and the implementing regulations at 24 CFR Part 570.496(a). The URA’s purpose is to establish a uniform policy for fair and equitable treatment of persons displaced as a result of federal and federally assisted programs. For additional information, refer to the “OCD/DRU Disaster Recovery CDBG Grantee Administrative Manual”.

Monitoring Instructions: Review the Grantee/Subrecipient’s Acquisition/Relocation Log. Select two acquired properties that ARE subject to URA and two properties that ARE NOT subject to URA. If the Grantee/Subrecipient has only acquired property that is subject to URA, select four of these properties, preferably with different relocation types (i.e., permanent, temporary, manufactured home, or business). Answer the appropriate sections of the following checklist based on the acquisition and relocation types. Complete the following questions as indicated. As applicable, mark “N/A”, “Finding”, or “Concern” to identify any issues. Provide comments for your responses in the identified areas.

Documents Needed:

- Acquisition/Relocation Log (including property addresses and acquisition type)
- For Selected Properties:
 - Address
 - Deed (showing transfer to Grantee/ Subrecipient)
 - Valuation or Appraisal (and review appraisal)
 - Proof of Purchase Price (canceled check)
 - Statement of Just Compensation (only if acquisition is subject to URA)
 - Relocation Notices
 - Act of Sale
 - Proof of Relocation Services Provided
 - Statement of Settlement Costs

| | | | |
|---|---|--|--|
| 1. Was any land, including all the natural resources and permanent buildings on it (“real property”), acquired or improved (see note below) with DR CDBG funds? <i>If no, continue to Section 13. If yes, continue to Question 2.</i> <i>Note: CDBG funds spent on acquisition, rehabilitation, or new construction connected with a demolition project funded with non-federal funds must also comply with Section 104(d).</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. Were occupants displaced as a result of any of the project activities? <i>If yes, continue to Question 3. If no, continue to Section 13.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. If any real property (land, including all the natural resources and permanent buildings on it) was purchased, was it in excess of \$25,000? [24 CFR 570.505] | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3.1. Does the CEA/binding agreement explicitly list the use of the real property? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3.2. Will the property be used by the Grantee/ Subrecipient to continue to meet one of the project’s National Objectives for at least five years after the expiration of the CEA/binding agreement? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient:

Project ID:

Monitor:

Date Completed:

12. Acquisition and Relocation

| Requirements | Response | Issue Type | Comments |
|---|---------------------------|---------------------------|----------|
| <p>4. Identify the type of project activity</p> <p><u>Activities Not Applicable to URA</u> (Execute Section 12.1)</p> <ul style="list-style-type: none"> • Acquisition from another public agency • Temporary Construction Servitudes of Easements • Leases for a duration less than 15 years (including any options to renew) • Voluntary Acquisition • Acquisition of Streets under LRS 48:49 <p><u>Activities Applicable to URA</u> (Execute Section 12.2)</p> <ul style="list-style-type: none"> • Acquisition of Specific Parcels of Property by Purchase • Acquisition by Private Entities • Purchases, Donations, Partial Donations • Additional Rights of Way – Street Projects • Leases for a duration of 15 years or longer, or less than 15 but are automatically renewable • <input type="checkbox"/> Rehabilitation (No acquisition involved) | <p align="center">N/A</p> | <p align="center">N/A</p> | |

OCD/DRU Compliance Monitoring Project Checklist

| 12.1 Acquisition Not Subject to URA | Property 1 | Property 2 |
|--|--|--|
| Instructions: From the Acquisition Log, select two properties acquired that are not subject to URA to answer the following questions. | | |
| 1. Address of the acquired property (selected from Acquisition Log): | | |
| 2. How was the value of the property established? | <input type="checkbox"/> Appraisal <input type="checkbox"/> Written Valuation | <input type="checkbox"/> Appraisal <input type="checkbox"/> Written Valuation |
| 3. Review the Appraisal and the Review Appraisal or the Written Evaluation. Compare these documents to the Act of Sale. Is the sale price of the property listed within the Act of Sale consistent with the stated value of the property? <i>Comments:</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | <input type="checkbox"/> Yes <input type="checkbox"/> No Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern |
| 4. Based on information obtained for this review, did the Grantee/ Subrecipient carry out the acquisition process in a manner that minimized hardships to the owners, and was the Grantee/ Subrecipient consistent in its treatment of other owners? <i>Comments:</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | <input type="checkbox"/> Yes <input type="checkbox"/> No Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern |

OCD/DRU Compliance Monitoring Project Checklist

| 12.2 Property Subject to URA | Property 3 | Property 4 |
|---|---|---|
| Instructions: Select two properties acquired that are subject to URA to answer the following questions. | | |
| 1. Address of the properties Subject to URA (selected from Relocation Log): | | |
| 2. Type of Property: | <input type="checkbox"/> Residential – Owned, Stick-Built (including modular) Home <input type="checkbox"/> Residential – Rental, Stick-Built (including modular) Home <input type="checkbox"/> Residential – Owned, Manufactured Home <input type="checkbox"/> Business | <input type="checkbox"/> Residential – Owned, Stick-Built (including modular) Home <input type="checkbox"/> Residential – Rental, Stick-Built (including modular) Home <input type="checkbox"/> Residential – Owned, Manufactured Home <input type="checkbox"/> Business |
| 3. Were there occupants? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. Were the owner occupants or tenants displaced as a result of this project? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4.1. If yes, which type of displacement occurred: | <input type="checkbox"/> Permanent (execute Section 12.3) <input type="checkbox"/> Temporary (execute Section 12.4) | <input type="checkbox"/> Permanent (execute Section 12.3) <input type="checkbox"/> Temporary (execute Section 12.4) |
| 5. Was property rehabilitated with no acquisition involved? <i>If yes, continue to Section 12.3. If no, continue to Question 6.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 6. Was an appraisal required? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7. Review the Appraisal and the Review Appraisal or the Written Evaluation. Compare these documents to the Statement of Just Compensation. Is the sale price of the property listed within the Statement of Just Compensation consistent with the stated value of the property? <i>Comments:</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | <input type="checkbox"/> Yes <input type="checkbox"/> No Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern |
| 8. Did the Grantee/Subrecipient execute the following documents sequentially for the acquired property? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 8.1. Preliminary Acquisition Notice <i>Date Sent to Owner:</i> | | |
| 8.2. Written Offer <i>Date Sent to Owner:</i> | | |
| 8.3. Notice of Eligibility for Relocation Assistance <i>Date Sent to Owner Occupants or Tenants:</i> | | |
| 8.3.1. Was the Notice of Eligibility for Relocation Assistance within the 30 days of submitting the Written Offer to the Owner? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 8.4. Act of Sale <i>Date Executed</i> <i>Comments:</i> | Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern |

OCD/DRU Compliance Monitoring Project Checklist

| 12.2 Property Subject to URA | Property 3 | Property 4 |
|---|---|---|
| <p>9. Based on the available evidence, did the Grantee/Subrecipient carry out the acquisition process in a manner that minimized hardships to the owners?</p> <p><i>Comments:</i></p> | <p align="center"><input type="checkbox"/>Yes <input type="checkbox"/>No</p> <p>Issue Type</p> <p><input type="checkbox"/>N/A</p> <p><input type="checkbox"/>Finding</p> <p><input type="checkbox"/>Concern</p> | <p align="center"><input type="checkbox"/>Yes <input type="checkbox"/>No</p> <p>Issue Type</p> <p><input type="checkbox"/>N/A</p> <p><input type="checkbox"/>Finding</p> <p><input type="checkbox"/>Concern</p> |

OCD/DRU Compliance Monitoring Project Checklist

| 12.2.1 Residential Relocation File Review – ONSITE ONLY | Property 3 | Property 4 |
|--|---|---|
| 10. For each residential relocation claim, does the Grantee/ Subrecipient’s Relocation File contain the following: <i>Comments:</i> | <i>DEPENDENT ON RESPONSES TO SUBQUESTIONS</i> <u>Issue Type</u> <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | <i>DEPENDENT ON RESPONSES TO SUBQUESTIONS</i> <u>Issue Type</u> <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern |
| 10.1. Evidence and dates of personal contacts; and description of services provided? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 10.2. Identification of person, displacement property, racial/ethnic group classification, age and sex of all members of household, monthly rent and utility costs for displacement and replacement housing, type of enterprise, and relocation needs and preferences? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 10.3. Recipient Interview and Survey (Household Case Record form for replacement-housing needs? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 10.4. Identification of referrals to replacement properties, date of referral, sale price or rent/utility costs (if dwelling), date of availability, and reason(s) for declining referral? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 10.5. Identification of actual replacement property, sale price or rent/utility costs (if dwelling), and date of relocation? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 10.6. Replacement dwelling inspection report; and date of inspection? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 10.7. A copy of each approved claim form and related documentation; evidence that the person received payment? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 10.8. Copy of any appeal or complaint filed and recipient's response? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 10.9. Copy of deferred loan lien agreement that has been filed with the clerk of courts office? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 10.10. Acknowledgement of Receipt of Relocation Payments? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |

OCD/DRU Compliance Monitoring Project Checklist

| 12.3 Relocation Benefits - Permanent Displacement | Property 3 | Property 4 |
|--|---|---|
| <p><u>EXECUTE THIS SECTION ONLY IF:</u></p> <ul style="list-style-type: none"> • Activity is subject to URA • Property is not a manufactured home • Owner Occupants or tenants were permanently displaced <p>The Relocation Process undertaken for the property identified within Section 12.2, Question 1 should be used to answer the following questions.</p> | | |
| <p>1. Based on the property and displacement type, do occupants qualify to receive permanent displacement relocation benefits? <i>If yes, continue. If no, skip to Section 12.4</i></p> | <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> | <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>2. Was the 90-day Notice to Vacate issued after the Notice of Displacement?</p> | <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> | <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>2.1. Notice of Displacement <i>Date Issued:</i></p> | | |
| <p>2.2. 90-day Notice to Vacate <i>Date Issued:</i> <i>Comments:</i></p> | <p>Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern</p> | <p>Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern</p> |
| <p>3. Which type of Relocation Assistance was provided?</p> | <p><input type="checkbox"/> Advisory Services <input type="checkbox"/> Relocation to a comparable unit <input type="checkbox"/> 180-day Homeowner Replacement Housing Payment <input type="checkbox"/> 90-day Tenant or Homeowner Rental Assistance Payment <input type="checkbox"/> 90-day Tenant or Homeowner Down Payment Assistance Payment <input type="checkbox"/> Moving Expenses</p> | <p><input type="checkbox"/> Advisory Services <input type="checkbox"/> Relocation to a comparable unit <input type="checkbox"/> 180-day Homeowner Replacement Housing Payment <input type="checkbox"/> 90-day Tenant or Homeowner Rental Assistance Payment <input type="checkbox"/> 90-day Tenant or Homeowner Down Payment Assistance Payment <input type="checkbox"/> Moving Expenses</p> |

OCD/DRU Compliance Monitoring Project Checklist

| 12.3.1 Residential Relocation File Review (Benefits) – ONSITE ONLY | Property 3 | Property 4 |
|---|--|--|
| 1. If Relocation to a Comparable Unit was provided, were at least three comparable dwellings made available to the displaced person? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| 2. If a 180-day Homeowner Replacement Housing Payment was made, did the Grantee/Subrecipient follow the following steps? | <i>DEPENDENT ON RESPONSES TO SUBQUESTIONS</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <i>DEPENDENT ON RESPONSES TO SUBQUESTIONS</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| 2.1. Did the displaced person own and occupy the displacement dwelling for at least 180 days prior to the initiation of acquisition negotiations? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2.2. Did the displaced person purchase and occupy a comparable replacement dwelling prior to receiving payments? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2.3. Did the 180-day Homeowner Replacement Housing Payment exceed the maximum allowable payments? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. If a 90-day Tenant or Homeowner Rental Assistance Payment was made, did the Grantee/Subrecipient follow the following steps? | <i>DEPENDENT ON RESPONSES TO SUBQUESTIONS</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <i>DEPENDENT ON RESPONSES TO SUBQUESTIONS</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| 3.1. Did the displaced person own and occupy the displacement dwelling for at least 90 days prior to the initiation of acquisition negotiations? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3.2. Did the displaced person rent or purchase and occupy a comparable replacement dwelling prior to receiving payments? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3.3. Did the 90-day Tenant or Homeowner Rental Assistance Payment exceed the maximum allowable payments? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3.4. Did the displaced person file their relocation assistance form within 1 year of moving to their replacement dwelling? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3.5. Was the replacement rental unit selected by the displaced person inspected by the Grantee/Subrecipient? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. If a 90-day Tenant or Homeowner Down Payment Assistance Payment was made, did the Grantee/Subrecipient follow the following steps? | <i>DEPENDENT ON RESPONSES TO SUBQUESTIONS</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <i>DEPENDENT ON RESPONSES TO SUBQUESTIONS</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| 4.1. Did the displaced person own and occupy the displacement dwelling for at least 90 days prior to the initiation of acquisition negotiations? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4.2. Did the displaced person file a down payment assistance form with the Grantee/ Subrecipient? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4.3. Did the 90-day Homeowner Down Payment Assistance Payment exceed the maximum allowable payments? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 5. If Moving Expenses were paid, did the Grantee/Subrecipient ensure that all expenses were reasonable and eligible? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| 6. For each Business Relocation claim , do the Grantee/Subrecipient's Relocation Files contain the following documents? | <i>DEPENDENT ON RESPONSES TO SUBQUESTIONS</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <i>DEPENDENT ON RESPONSES TO SUBQUESTIONS</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| 6.1. General Information Notice (GIN) | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 6.2. Notice of Interest (Notice to Owner) | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 6.3. Relocation Eligibility (NOE) | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7. If Advisory Services were provided, did the Grantee/Subrecipient follow the following steps? | <i>DEPENDENT ON RESPONSES TO SUBQUESTIONS</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <i>DEPENDENT ON RESPONSES TO SUBQUESTIONS</i> <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7.1. Did the Grantee/Subrecipient provide information about the upcoming project and the earliest date they will have to vacate the property | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7.2. Did the Grantee/Subrecipient provide a complete explanation of their eligibility for relocation benefits? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7.3. Did the Grantee/Subrecipient provide assistance in understanding their best alternatives? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7.4. Did the Grantee/Subrecipient provide assistance in following the required procedures to receive payments? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7.5. Did the Grantee/Subrecipient provide current information on the availability and cost to purchase or rent suitable replacement locations? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |

OCD/DRU Compliance Monitoring Project Checklist

| 12.3.1 Residential Relocation File Review (Benefits) – ONSITE ONLY | Property 3 | Property 4 |
|--|--|--|
| 7.6. Did the Grantee/Subrecipient provide assistance, including referrals, to help the business obtain an alternative location and become reestablished? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7.7. Did the Grantee/Subrecipient provide referrals to state or federal programs that may help the business reestablish and apply for funds? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7.8. Did the Grantee/Subrecipient provide assistance in completing relocation claim forms? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |

OCD/DRU Compliance Monitoring Project Checklist

| 12.4 Relocation Benefits - Temporary Displacement | Property 3 | Property 4 |
|---|---|---|
| <p><u>EXECUTE THIS SECTION ONLY IF:</u></p> <ul style="list-style-type: none"> Acquisition activity is subject to URA Property is a Stick-Built (including modular) Home Owner Occupants or tenants were temporarily displaced <p>The Relocation Process undertaken for the property identified within Section 12.2, Question 1 should be used to answer the following questions.</p> | | |
| <p>1. Based on the property and displacement type, do occupants qualify to receive permanent displacement relocation benefits? <i>If yes, continue. If no, skip to Section 12.5.</i></p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>2. Was the owner temporarily displaced as a result of this project?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>2.1. Did the Grantee/Subrecipient provide assistance to an owner occupant who voluntarily participated in a housing rehabilitation program?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>2.2. If yes, was the owner faced with a “hardship” as described within the Grantee/Subrecipient’s URA policy? <i>Comments:</i></p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern |
| <p>3. Was a tenant temporarily displaced as a result of this project?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>4. Was the Temporary Notice issued after the Notice of Non-displacement?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>4.1. Notice of Non-displacement <i>Date Issued:</i></p> | | |
| <p>4.2. Temporary Relocation Notice <i>Date Issued:</i> <i>Comments:</i></p> | Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern |
| <p>5. Which type of Relocation Assistance was provided to the tenant?</p> | <input type="checkbox"/> Appropriate advisory services <input type="checkbox"/> Reimbursement for all reasonable out-of-pocket expenses | <input type="checkbox"/> Appropriate advisory services <input type="checkbox"/> Reimbursement for all reasonable out-of-pocket expenses |

OCD/DRU Compliance Monitoring Project Checklist

| 12.5 Relocation Benefits - Business Displacement | Property 3 | Property 4 |
|---|---|---|
| <p><u>ONLY EXECUTE THIS SECTION IF:</u></p> <ul style="list-style-type: none"> Acquisition activity is subject to URA Property is a Business <p>The Relocation Process undertaken for the property identified within Section 12.2, Question 1 should be used to answer the following questions.</p> | | |
| <p>1. Based on the property and displacement type, do occupants qualify to receive permanent displacement relocation benefits? <i>If yes, continue. If no, skip to Section 12.6</i></p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>2. Was the Notice of Relocation Eligibility issued after the General Information Notice?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>2.1. General Information Notice <i>Date Notice Issued:</i></p> | | |
| <p>2.2. Notice of Relocation Eligibility <i>Date Notice Issued:</i> <i>Comments:</i></p> | <p>Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern</p> | <p>Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern</p> |
| <p>3. Did the Notice of Relocation Eligibility meet the following requirements?</p> | <p><i>DEPENDENT ON RESPONSES TO SUBQUESTIONS</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> | <p><i>DEPENDENT ON RESPONSES TO SUBQUESTIONS</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> |
| <p>3.1. Inform the business of the effective date of their eligibility</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>3.2. Describe the assistance available and procedures</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>3.3. If necessary, a 90-day Notice to Move may be sent after the initiation of negotiations.</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <p>3.4. The business must be told as soon as possible that they are required to:</p> <ul style="list-style-type: none"> Allow inspections of both the current and replacement sites by the Grantee/Subrecipient's representatives, under reasonable terms and conditions; Keep the Grantee/Subrecipient informed of their plans and schedules; Notify the Grantee/Subrecipient of the date and time they plan to move (unless this requirement is waived); and, Provide the Grantee/Subrecipient with a list of the property to be moved or sold. | <input type="checkbox"/> Yes <input type="checkbox"/> No <p>Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <p>Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern</p> |
| <p>4. Which type of Relocation Assistance was provided? (Mark all that apply.)</p> | <input type="checkbox"/> Advisory Services <input type="checkbox"/> Direct Loss Payment <input type="checkbox"/> Substitute Equipment Payment <input type="checkbox"/> Replacement Location Search Expense <input type="checkbox"/> Reimbursement of Actual Moving Expenses <input type="checkbox"/> Other Moving and Related Expenses <input type="checkbox"/> Reestablishment Expenses <input type="checkbox"/> Fixed Payments | <input type="checkbox"/> Advisory Services <input type="checkbox"/> Direct Loss Payment <input type="checkbox"/> Substitute Equipment Payment <input type="checkbox"/> Replacement Location Search Expense <input type="checkbox"/> Reimbursement of Actual Moving Expenses <input type="checkbox"/> Other Moving and Related Expenses <input type="checkbox"/> Reestablishment Expenses <input type="checkbox"/> Fixed Payments |

OCD/DRU Compliance Monitoring Project Checklist

| 12.5.1 Business Relocation File Review (Benefits) – ONSITE ONLY | Property 3 | Property 4 |
|---|--|--|
| 1. If Advisory Services were provided, did the Grantee/Subrecipient follow the following steps? | <i>DEPENDENT ON RESPONSES TO SUBQUESTIONS</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <i>DEPENDENT ON RESPONSES TO SUBQUESTIONS</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| 1.1. Did the Grantee/Subrecipient provide information about the upcoming project and the earliest date they will have to vacate the property | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 1.2. Did the Grantee/Subrecipient provide a complete explanation of their eligibility for relocation benefits? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 1.3. Did the Grantee/Subrecipient provide assistance in understanding their best alternatives? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 1.4. Did the Grantee/Subrecipient provide assistance in following the required procedures to receive payments? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 1.5. Did the Grantee/Subrecipient provide current information on the availability and cost to purchase or rent suitable replacement locations? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 1.6. Did the Grantee/Subrecipient provide assistance, including referrals, to help the business obtain an alternative location and become reestablished? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 1.7. Did the Grantee/Subrecipient provide referrals to state or federal programs that may help the business reestablish and apply for funds? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 1.8. Did the Grantee/Subrecipient provide assistance in completing relocation claim forms? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. If a Direct Loss Payment was made, was the Payment made to cover only one of the following? <i>Notate the covered expense.</i> <ul style="list-style-type: none"> • Losses associated with personal property that would not be moved • Losses associated with discontinuing the business, nonprofit or farm? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| 3. If a Direct Loss Payment was made, was the Payment based on the lesser of the following? <i>Notate the calculation used.</i> <ul style="list-style-type: none"> • The fair market value of the item for continued use at the displacement site, minus the proceeds from the sale • The estimated cost to move the item, with no allowance for the following: storage, or reconnecting a piece of equipment if the equipment is in storage or not being used at the acquired site. If the business is discontinuing, the cost to move is based on a moving distance of 50 miles. | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| 4. If a Substitute Equipment Payment was made, was the Payment made to cover pay for an item used by the business, nonprofit, or farm is left in place, but promptly replaced with a substitute item that performs a comparable function at the new site? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| 5. If Replacement Location Search Expenses were paid, did Grantee/Subrecipient ensure that costs were reasonable? <i>Costs may include: Transportation, meals and lodging away from home, time spent while searching, based on a reasonable pay salary or earnings, and Fees paid to a real estate agent or broker while searching for the site.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| 6. If Reimbursement of Actual Moving Expenses were paid, did the Grantee/Subrecipient ensure that costs were eligible, reasonable and necessary? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |

OCD/DRU Compliance Monitoring Project Checklist

| 12.5.1 Business Relocation File Review (Benefits) – ONSITE ONLY | Property 3 | Property 4 |
|---|--|--|
| 7. If Other Moving and Related Expenses were paid, did the Grantee/Subrecipient ensure that costs were eligible, reasonable and necessary? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| 8. If Other Moving and Related Expenses were paid to move low value, high bulk items, did the Grantee/Subrecipient ensure that the allowable moving cost payment did not exceed the lesser of: a. The amount which would be received if the property were sold at the site; or, b. The replacement cost of a comparable quantity delivered to the new business location. | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| 9. If Reestablishment Expenses were paid, does the business qualifying for the reestablishment expenses qualify as a small business? <i>“Small Businesses” for this purpose are defined as those with at least one and no more than 500 people working at the project site.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| 10. If Reestablishment Expenses were paid, did the Reestablishment Expenses exceed \$10,000? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| 11. If Fixed Payments were paid, were the following criteria met? | <i>DEPENDENT ON RESPONSES TO SUBQUESTIONS</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <i>DEPENDENT ON RESPONSES TO SUBQUESTIONS</i> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| 11.1. Was the HUD Form 40056 (or equivalent) submitted? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 11.2. Is the Fixed Payment between \$1,000 and \$20,000 | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 11.3. Does the business meet the eligibility criteria? (<i>See Admin Manual, Section 10, 14.4</i>) | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |

OCD/DRU Compliance Monitoring Project Checklist

| 12.6 Relocation Benefits - Manufactured Homeowner Displacement | Property 3 | Property 4 |
|---|---|---|
| <p><u>ONLY EXECUTE THIS SECTION IF:</u></p> <ul style="list-style-type: none"> • Acquisition activity is subject to URA • Property is a Manufactured Home <p>The Relocation Process undertaken for the property identified within Section 12.2, Question 1 should be used to answer the following questions.</p> | | |
| 1. Based on the property and displacement type, do occupants qualify to receive permanent displacement relocation benefits? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Was the 90-day Notice to Vacate issued after the Notice of Displacement? | | |
| 2.1. Notice of Displacement <i>Date Issued</i> | | |
| 2.2. 90-day Notice to Vacate <i>Date Issued</i> | Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | Issue Type <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern |
| 3. Which type of Relocation Assistance was provided? | <input type="checkbox"/> Homepad Rental Assistance <input type="checkbox"/> Replacement Housing Assistance <input type="checkbox"/> Costs to Move a <input type="checkbox"/> Manufactured Home | <input type="checkbox"/> Homepad Rental Assistance <input type="checkbox"/> Replacement Housing Assistance <input type="checkbox"/> Costs to Move a <input type="checkbox"/> Manufactured Home |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Subrecipient:

Project ID:

Monitor:

Date Completed:

13. Property Management

| Requirements | Response | Issue Type | Comments |
|---|---|--|----------|
| <p>Description: If Disaster Recovery CDBG funds are used to acquire personal property or real property, the Grantee/ Subrecipient is responsible for ensuring:</p> <ul style="list-style-type: none"> • The property continues to be used for its intended (and approved) purposes; • Property records are maintained to keep track of the property; • Measures are in place to safeguard and protect the property, and • If the property is sold, proper disposition procedures are followed. <p>Monitoring Instructions: Review the Grantee/Subrecipient's Property Control Tracking Log and complete the following questions as indicated.</p> <p>Documents Needed:</p> <ul style="list-style-type: none"> • Property Control Tracking Log (including evidence of the most recent inventory) • Notification to the OCD/DRU if property has been disposed of | | | |
| 1. Has any equipment/property been acquired through the use of DR CDBG funds to administer/implement this project? <i>If yes, continue. If no, continue to Section 14.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. Are the policies and procedures sufficient to adequately identify CDBG property and assets and maintain the appropriate property? (i.e., Property Tags, Inventory Listing, etc.) | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. Is there evidence that a physical inventory was conducted within the last year and that the results reconcile with property records? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4. Does the Grantee/ Subrecipient's Control Tracking Log contain the following fields? <ul style="list-style-type: none"> • Property Description • Identification Number • Funding Source • Title Holder • Acquisition date and cost • Federal share of cost • Location • Use • Condition • Unit acquisition cost • Disposition data (if applicable) | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5. Is there evidence of a disposal of equipment/property that was purchased with CDBG Disaster Recovery funds? If yes, was the disposal completed in accordance with CDBG requirements? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist

13.1 Property Management File Review – ONSITE ONLY

| Requirement | Response | Issue Type | Comments | | | | | |
|--|--|--|----------|---|---|---|-----|-----|
| <p>Instructions: Select a random sample of the property acquired to implement this project (from the Grantee/ Subrecipient’s tracking log) using the transaction-based sampling. Identify the property selected within Question 1. Answer Question 2 for each piece of property selected within the sample within the column that coordinates with the Project identified within Question 1.</p> <ul style="list-style-type: none"> • If 50 – 99 pieces of property have been acquired, select 10 • If 100 -199 pieces of property have been acquired, select 20 • If 200 or more pieces of equipment have been acquired, select 65 • If 50 – 99 pieces of property have been acquired, select 10 • If 100 -199 pieces of property have been acquired, select 20 • If 200 or more pieces of equipment have been acquired, select 65 | | | | | | | | |
| 1. Property Sample Data | N/A | N/A | N/A | | | | | |
| A. Notate Property ID Number | # | N/A | | | | | | |
| B. Notate Property ID Number | # | N/A | | | | | | |
| C. Notate Property ID Number | # | N/A | | | | | | |
| D. Notate Property ID Number | # | N/A | | | | | | |
| E. Notate Property ID Number | # | N/A | | | | | | |
| 2. Does the Grantee/ Subrecipient’s Control Tracking Log contain the following data for the property within the property sample? <i>(Mark an X for each piece of property within sample.)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> | | | | | | |
| PROPERTY ID <i>(from Question 1)</i> | <table border="1" style="font-size: small;"> <tr> <td>A</td> <td>B</td> <td>C</td> <td>D</td> <td>E</td> </tr> </table> | A | B | C | D | E | N/A | N/A |
| A | B | C | D | E | | | | |
| 2.1. Property Description | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | | | | | |
| 2.2. Funding Source | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | | | | | |
| 2.3. Title Holder | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | | | | | |
| 2.4. Acquisition date | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | | | | | |
| 2.5. Cost | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | | | | | |
| 2.6. Federal Share of Cost | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | | | | | |
| 2.7. Location | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | | | | | |
| 2.8. Use | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | | | | | |
| 2.9. Condition | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | | | | | |
| 2.10. Unit acquisition cost | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | | | | | |
| 2.11. Disposition date (if applicable) | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | | | | | |
| 3. Review the Property Control Tracking Log. Has any equipment/property that was purchased for this project been disposed of? <i>If yes, continue to Question 3.1. If no, continue to Question 4.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | | | | | | |

OCD/DRU Compliance Monitoring Project Checklist

| 13.1 Property Management File Review – ONSITE ONLY | | | |
|---|---|--|-----------------|
| Requirement | Response | Issue Type | Comments |
| 3.1. Is there support for the Grantee/Subrecipient notifying the OCD/DRU prior to disposal of the property? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3.2. Was the current per-unit fair market value greater than \$5,000? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3.3. If yes, was the Grantee/Subrecipient compensation calculated correctly? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3.4. Were the net proceeds from the sale considered as program income? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4. Is there evidence that a physical inventory of the property has been performed within the last year? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5. Is there evidence that the Property Control Tracking Log is being maintained? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Recipient/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

14. Lead-Based Paint, Asbestos, and Mold

| Requirement | Response | Issue Type | Comments |
|-------------|----------|------------|----------|
|-------------|----------|------------|----------|

Description: Legislation implemented by HUD requires Grantee/Subrecipients to ensure that potential lead-based paint hazards are disclosed to owners or tenants of residential property and identified lead-based paint hazards are dealt with accordingly. Worker exposure to, abatement, and disposal of asbestos and mold detection and remediation must be performed in accordance to applicable federal, state, and local requirements.

Monitoring Instructions: Review the Grantee/Subrecipient’s records of inspections, evaluations or assessments, clearance reports and abatement, remediation and maintenance activities regarding lead-based paint, asbestos and mold. Complete the following questions as indicated. As applicable, mark “N/A”, “Finding”, or “Concern” to identify any issues. Provide comments for your responses in the identified areas.

Documents Needed:

- Binding Agreement executed between the Grantee/ Subrecipient and the OCD/DRU (including any amendments and task orders)
- Lead-Based Paint Evaluation or Assessment
- Lead-Hazard Clearance Report
- Grantee/ Subrecipient’s documentation that owners are providing tenants appropriate Lead-based paint pamphlets and disclosure statements
- Asbestos statutory checklist
- Mold inspection

14.1 Lead-Based Paint Hazard Mitigation and Disclosure

| | | | |
|--|---|--|--|
| 1. Is residential housing construction involved with the project? <i>If yes, continue. If no, activities are exempt from lead-based paint requirements and completion of this Section 14 of the checklist is not required.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 1.1. If yes, are structures built prior to January 1, 1978 included within the project activities? <i>If yes, continue. If no, activities are exempt from lead-based paint requirements and completion of this Section of the checklist is not required.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. Was the appropriate evaluation or assessment conducted for this housing project or activity? (<i>Lead Safe Housing Rule</i> .) Notate the evaluation or assessment method used (Visual Assessment, Paint Testing, Risk Assessment, Paint Inspection, Lead Hazard Screen) | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. Was lead hazard remediation required? If so, notate the method used (abatement, interim controls, standard treatments). | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4. Were Lead-safe work practices employed during Lead Hazard Reduction, rehabilitation, and maintenance work? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4.1. If not, were they exempt? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5. Was a clearance report provided for maintenance work? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist

Grantee/ Recipient/ Subrecipient:

Project ID:

Monitor:

Date Completed:

14. Lead-Based Paint, Asbestos, and Mold

| Requirement | Response | Issue Type | Comments |
|--|---|--|----------|
| 6. Is Grantee/Subrecipient ensuring that tenants are provided with the Lead Hazard Information Pamphlet or an EPA-approved equivalent? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 7. Is Grantee/Subrecipient ensuring that tenants are provided a disclosure form prior to signing a lease? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 14.2 Asbestos and Mold | | | |
| 1. Is renovation or demolition involved with the project? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. Were structures inspected prior to performing any renovation or demolition activities to determine the presence of asbestos? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. Were Clean Air Act and Occupational Safety and Health Administration regulations employed if asbestos was found or disturbed? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4. Were structures inspected prior to performing any renovation or demolition activities to determine the presence of mold? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist

| 15. Areas of Merit | |
|---|----------------|
| Instructions: Document any areas where the Grantee/Subrecipient went above and beyond what was expected. | |
| Areas of Merit | Comment |
| Citizen Participation | |
| National Objective and Eligible Activities | |
| Monitoring | |
| Procurement and Contract Administration | |
| Labor | |
| Financial Management | |
| Section 3 | |
| Environmental Review | |
| Acquisition and Relocation | |
| Property Management | |
| Lead-Based Paint, Asbestos and Mold | |

OCD/DRU Compliance Monitoring Project Checklist

16. Technical Assistance

Instructions: Document any areas where the Grantee/Subrecipient requires Technical Assistance (TA).

| Technical Assistance | Checklist Section | Comment |
|--|--------------------------|----------------|
| Citizen Participation | | |
| National Objective and Eligible Activities | | |
| Monitoring | | |
| Procurement and Contract Administration | | |
| Labor | | |
| Financial Management | | |
| Section 3 | | |
| Environmental Review | | |
| Acquisition and Relocation | | |
| Property Management | | |
| Lead-Based Paint, Asbestos and Mold | | |



*Office of Community Development/ Disaster Recovery Unit
Long-Term Monitoring Plan*

Exhibit 8

Supplemental Worksheets for Project Checklist

Revised April 17, 2013

The following Worksheets are to be used in conjunction with the OCD/DRU Compliance Monitoring Project Checklist to review the procurement, contracting, labor and financial management compliance.

Contents

WORKSHEET 1: PROCUREMENT AND CONTRACT REVIEW

WORKSHEET 2: LABOR REVIEW

WORKSHEET 3: SECTION 3 COMPLIANCE

Monitoring Instructions:

1. Select contractors/contracts to be reviewed.
 - a. If five or fewer contractors/vendors have been used to implement the projects, two contractors/vendors should be reviewed, if applicable.
 - b. If six or more contractors/vendors have been used to implement the project, three contractors/vendors should be reviewed, as applicable.
 - c. If issues are found within the selected sample, broaden the sample to include additional contractors/contracts.
 - d. Document the reasoning for adjusting the sample size, if applicable.
2. Execute each of the Worksheets for each contractor within the sample as described within each Worksheet.

OCD/DRU Compliance Monitoring Project Checklist - SUPPLEMENTAL WORKSHEETS

WORKSHEET 1: PROCUREMENT AND CONTRACT REVIEW

| | | | |
|-------------------------------|--------------------|-----------------|------------------------|
| Grantee/ Subrecipient: | Project ID: | Monitor: | Date Completed: |
|-------------------------------|--------------------|-----------------|------------------------|

Contractor:

| Requirements | Response | Issue Type | Comments |
|--------------|----------|------------|----------|
|--------------|----------|------------|----------|

Monitoring Instructions:

1. Select contractors/contracts to be reviewed. Worksheet 2 (Labor) and Worksheet 3 (Section 3) should also be completed for these contractors.
 - a. If five or fewer contractors/vendors have been used to implement the projects, two contractors/vendors should be reviewed, if applicable.
 - b. If six or more contractors/vendors have been used to implement the project, three contractors/vendors should be reviewed, as applicable
2. Review the Grantee/Subrecipients Procurement Policies and Procedures.
3. Answer each question as directed and mark “N/A”, “Finding”, or “Concern” to identify any issues, as applicable.
4. Provide comments for your responses in the identified areas.
5. Summarize the results of the procurement and contracting compliance associated with the contract reviewed on Page 9 of this Worksheet.
6. Once Worksheet 1 (Procurement and Contract Review) is completed for each contractor within the sample, execute Section 7 of the Project Checklist.

References and guidance are provided throughout this checklist section and should be used to help the Monitor determine if the standards are being met by the Grantee/Subrecipient.

THIS WORKSHEET SHOULD BE COMPLETED FOR EACH CONTRACT WITHIN THE SELECTED SAMPLE.

Documents Needed (For each procurement/contract reviewed):

- Solicitation
 - Any submitted questions and the responses to those questions
 - Advertisement
 - Written evaluation or Score Sheet
- Proposals, Statement of Qualifications, Bids, Quotes, etc.
- Cost/Price Analysis
- Notice of Contract Award
- Contract
- Wage Determination, if applicable
- Documentation of Bid Opening Date, if applicable

Procurement Overview

| | | | |
|---|---|--|--|
| 1. Identify the Procurement Type (Small Purchase, Sealed Bid, Competitive Proposals, or Non-Competitive Proposals) | N/A | N/A | |
| 2. Were any disputes related to procurement actions received? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2.1. If yes, were the disputes handled, resolved and disclosed? [24 CFR 85.36(b)(12); 24 CFR 84.84] | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. Is there evidence that the procurement was conducted using “open and free competition,” unless an exception applies? [24 CFR 85.36(c); 24 CFR 84.84] | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist - SUPPLEMENTAL WORKSHEETS

WORKSHEET 1: PROCUREMENT AND CONTRACT REVIEW

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

Contractor: _____

| Requirements | Response | Issue Type | Comments |
|--|---|--|----------|
| 4. Is there evidence that the procurement was conducted in a manner to eliminate unfair competitive advantages? [24 CFR 85.36 (c);24 CFR 84.84] | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5. Is there evidence that a Notice of Contract Award has been sent to the OCD/DRU? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 6. If procured through the Sealed-Bid Method, was the contract awarded within the time frame established in State Bid Law? (45 days; time frame may be extended in 30-day increments by mutual consent.) | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

SMALL PURCHASE REQUIREMENTS

| | | | |
|---|---|--|--|
| 7. For the Small Purchase method (an option when construction services are less than \$100,000 and supplies are less than \$20,000), is there evidence of a minimum of three quotes received by phone, fax or mail? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 8. For the Small Purchase method (an option when construction services are less than \$100,000 and supplies are less than \$20,000), is there evidence of documentation for the basis of selection? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 9. For the Small Purchase method (an option when construction services are less than \$100,000 and supplies are less than \$20,000), is there evidence of justification for acquisition of the services, supplies (\$30,000 max) or equipment? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

COMPETITIVE NEGOTIATION –RFP REQUIREMENTS

| | | | |
|---|---|--|--|
| 10. For the Competitive Negotiation method using " Requests for Proposals ", is there evidence of the Request for Proposal? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 11. For the Competitive Negotiation method using " Requests for Proposals ", is there evidence of that the RFP was publicized? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 12. For the Competitive Negotiation method using " Requests for Proposals ", is there evidence that Proposals and copies of proposals were received timely? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist - SUPPLEMENTAL WORKSHEETS

WORKSHEET 1: PROCUREMENT AND CONTRACT REVIEW

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

Contractor: _____

| Requirements | Response | Issue Type | Comments |
|---|---|--|----------|
| 13. For the Competitive Negotiation method using "Requests for Proposals" , is there evidence that a written evaluation of each proposal was performed? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 14. For the Competitive Negotiation method using "Requests for Proposals" , is there evidence costs were analyzed for reasonableness to avoid unnecessary and duplicative purchases? [24 CFR 85.36(f)] | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 15. For the Competitive Negotiation method using "Requests for Proposals" , is there evidence that the selection process was thorough and uniform and the criteria and point system identified in the RFP was used to make the selection? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 16. For the Competitive Negotiation method using "Requests for Proposals" , is there evidence of documentation of the reason for rejecting any or all proposals? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

COMPETITIVE NEGOTIATION – RFQ REQUIREMENTS

| | | | |
|---|---|--|--|
| 17. For the Competitive Negotiation method using "Statements of Qualifications" , is there evidence of a copy of the Request for Qualifications? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 18. For the Competitive Negotiation method using "Statements of Qualifications" , is there evidence that the RFQ was publicized? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 19. For the Competitive Negotiation method using "Statements of Qualifications" , is there evidence that Statements of qualifications were received timely? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 20. For the Competitive Negotiation method using "Statements of Qualifications" , is there evidence that a written evaluation of each statement was performed? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 21. For the Competitive Negotiation method using "Statements of Qualifications" , is there evidence of documentation of the reason for rejecting any or all RFQs? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist - SUPPLEMENTAL WORKSHEETS

WORKSHEET 1: PROCUREMENT AND CONTRACT REVIEW

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

Contractor: _____

| Requirements | Response | Issue Type | Comments |
|---|---|--|----------|
| 22. For the Competitive Negotiation method using "Statements of Qualifications" , is there evidence that costs were analyzed for reasonableness to avoid unnecessary and duplicative purchases? [24 CFR 85.36 (f)] | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 23. For the Competitive Negotiation method using "Statements of Qualifications" , is there evidence of that the selection process was thorough and uniform and the criteria and point system identified in the Request for Qualification Statements was used to make the selection? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| NON-COMPETITIVE NEGOTIATION | | | |
| 24. For the Non-competitive Negotiation method, is there evidence of prior approval from the OCD/DRU if used to procure services? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 25. For the Non-competitive Negotiation method, is there evidence of the rationale for using this procurement method meets the requirements of 24 CFR 85.36 (d)(4)? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 26. For the Non-competitive Negotiation method, is there evidence of justification for services provided? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 27. For the Non-competitive Negotiation method, is there evidence that costs were reviewed for reasonableness to avoid unnecessary and duplicative purchase? [24 CFR 85.36; 24 CFR 84.45, 84.84] | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| SEALED-BID REQUIREMENTS | | | |
| 28. For the Sealed-Bid method, is there evidence that final plans, specifications, and cost estimates (for construction only) were submitted to the OCD/DRU prior to advertising for bids? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 29. For the Sealed-Bid method, is there evidence that an advertisement for bids ("invitation for bids") was published once a week for three weeks with the first ad appearing at least 25 days prior to bid opening? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 30. For the Sealed-Bid method, is there evidence that the Public bid opening occurred at the time and place set in the advertisement for bids? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist - SUPPLEMENTAL WORKSHEETS

WORKSHEET 1: PROCUREMENT AND CONTRACT REVIEW

| Grantee/ Subrecipient: | Project ID: | Monitor: | Date Completed: |
|--|---|--|------------------------|
| Contractor: | | | |
| Requirements | Response | Issue Type | Comments |
| 31. For the Sealed-Bid method, is there evidence that the procurement solicitation contained an “Effective Wage Decision”, if applicable? <i>Only applicable if construction-related services (including demolition where construction is anticipated) were procured and no labor standard exception requirements were met.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 32. For the Sealed-Bid method, is there evidence that wage decisions (dated no more than 10 days prior to bid opening) included in all requests and advertisements for bids? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 33. For the Sealed-Bid method, is there evidence that minutes of the bid opening were maintained? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 34. For the Sealed-Bid method, is there evidence that a review of each bid was performed (tabulation of bids)? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 35. For the Sealed-Bid method, is there documentation of the reason for rejecting any or all bids? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 36. For the Sealed-Bid method, is there evidence that the lowest responsible bidder was selected? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 37. For Procurements for Construction-related services , does the project meet one or more of the Labor Standard exception requirements? <i>If yes, notate the requirement identify below, but mark N/A for questions 38-42.</i> <ul style="list-style-type: none"> • Construction contracts at or below \$2,000 • Rehabilitation or construction of residential structures containing less than eight units; • Simple water and sewer line extensions without pumps, tanks, etc. may also be exempt; • Separate and distinct projects. Contact the OCD/DRU for guidance; • Contracts solely for demolition, when no federally-funded construction is anticipated on the site | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 38. For Procurements for Construction-related services , were effective wage decisions included in all requests and advertisements, as applicable? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist - SUPPLEMENTAL WORKSHEETS

WORKSHEET 1: PROCUREMENT AND CONTRACT REVIEW

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

Contractor: _____

| Requirements | Response | Issue Type | Comments |
|--|---|--|----------|
| 39. For Procurements for Construction-related services , did the procurement solicitation include a requirement that the Contractor and subcontractors are responsible for compliance with the applicable Nondiscrimination, Equal Employment Opportunity, and Affirmative Action in Employment Requirements? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 40. For Procurements for Construction-related services , did the procurement solicitation include a requirement that the contractor awarded the contract will undertake affirmative efforts to hire women’s business enterprises, minority firms and labor surplus firms? [24 CFR 85.36(e); 24 CFR 84.84] | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 41. For Procurements for Construction-related services , did the procurement solicitation state that the Contractor and subcontractors are responsible for compliance with the provisions of Section 3 of the Housing and Urban Development Act of 1968? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 42. For Procurements for Construction-related services , did the procurement solicitation include a requirement that the Contractor and subcontractors are responsible for compliance with the provisions of Section 503 of the Rehabilitation Act of 1973, as amended? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| Contract Requirements | | | |
| 1. Identify the Contract Type: (Purchase Order, Fixed Price, Cost Reimbursement, or Time and Material) | N/A | N/A | |
| 1.1. If a “time and material” type contract is used, was a determination made that no other contract is suitable? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 1.2. If a “time and material” type contract is used, does the contract include a ceiling price that the contractor may exceed at its own risk? [24 CFR 85.36(b)(10)] | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 1.3. Was “cost plus a percentage of cost” or “percentage of construction cost” pricing used for the contract? <i>Note: This type of contract is not allowed (24 CFR 85.36(f)(4) and 84.44)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist - SUPPLEMENTAL WORKSHEETS

WORKSHEET 1: PROCUREMENT AND CONTRACT REVIEW

| Grantee/ Subrecipient: | Project ID: | Monitor: | Date Completed: |
|---|---|--|------------------------|
| Contractor: | | | |
| Requirements | Response | Issue Type | Comments |
| 2. Does the Contract Scope of Work/Services/ Equipment or Supplies match the Scope of Work/Services included within the procurement solicitation? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. Based on the procurement type and equipment or supplies procured or services provided, was the correct contract type executed? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4. Was the contract signed by all required parties? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5. Was the Contractor's status reviewed to ensure that it is not debarred, suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, "Debarment and Suspension" [24 CFR 85.35; 24 CFR 84.13]? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5.1. Is Contractor Clearance Date after Contract Effective Date? <i>Notate the Contractor Clearance Date and Contract Effective Date. Contractor must be cleared before contract execution.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 6. Does the contract contain Scope of Services? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 7. Does the contract contain the Contract amount, with breakout of fees by services? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 8. Does the contract contain the Method of compensation? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 9. Does the contract contain the Contract date? <i>(Notate Contract Date)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 10. Does the contract contain a Section 3 clause? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 11. Does the contract contain an Equal Opportunity clause? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 12. Does the contract contain a Termination for Cause, and Convenience provision? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 13. Does the contract contain a Conflict of Interest clause? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist - SUPPLEMENTAL WORKSHEETS

WORKSHEET 1: PROCUREMENT AND CONTRACT REVIEW

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

Contractor: _____

| Requirements | Response | Issue Type | Comments |
|---|---|--|----------|
| 14. Does the contract contain an Access to Records provision? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 15. Does the contract list Executive Order 11246? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

Labor Contract Requirements

Description: Only applies to construction contracts above \$2,000. Arbitrarily separating a project into individual contracts below \$2,000 in order to avoid the Davis-Bacon and Copeland Act requirements is not permitted.

| | | | |
|---|---|--|--|
| 1. Were wage decisions included within the executed contract? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. Does the resulting contract reflect the wage categories for laborers or mechanics, etc., established in the "Effective Wage Decision"? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2.1. Are the rates for each wage category for laborers or mechanics, etc. in the contract at or above the rates specified in the "Effective Wage Decision"? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. Were wage decision lock-in dates established? (<i>Notate the wage lock-in date</i>) <ul style="list-style-type: none"> • For contracts procured through the sealed bid method, the lock-in date is the 10 days prior to bid opening. • For contracts procured through other methods, the lock-in date is the contract award date OR if contract performance commences more than 30 days after award, the lock in date is ten days prior to commencement of the work. | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4. Do the wage decisions from the contract represent the correct time frame? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist - SUPPLEMENTAL WORKSHEETS

WORKSHEET 1: PROCUREMENT AND CONTRACT REVIEW

| | | | |
|-------------------------------|--------------------|-----------------|------------------------|
| Grantee/ Subrecipient: | Project ID: | Monitor: | Date Completed: |
|-------------------------------|--------------------|-----------------|------------------------|

Contractor:

| Requirements | Response | Issue Type | Comments |
|--------------|----------|------------|----------|
|--------------|----------|------------|----------|

SUMMARY OF REVIEW

Summarize the results of the Procurement and Contract review executed for the selected contractor/contract by marking "Yes" or "No" for each question. If applicable, reference questions where findings or concerns were identified in the Comments field.

| | | | |
|---|---|-----------|--|
| 1. Was the Procurement completed in compliance with applicable regulations? | <input type="checkbox"/> Yes <input type="checkbox"/> No | Findings: | |
| | | Concerns: | |
| 2. Does the Contract contain all necessary requirements? | <input type="checkbox"/> Yes <input type="checkbox"/> No | Findings: | |
| | | Concerns: | |
| 3. Are Labor Contract requirements included, if applicable? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | Findings: | |
| | | Concerns: | |

General Comments:

WORKSHEET 2: LABOR REVIEW

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

Contractor: _____

| Requirements | Response | Issue Type | Comments |
|--------------|----------|------------|----------|
|--------------|----------|------------|----------|

Monitoring Instructions:

This worksheet should be utilized to validate the processes described by the Grantee/Subrecipient’s Labor Compliance Officer and ensure these processes sufficiently ensure compliance with Davis-Bacon requirements.

1. Select contractors/contracts to be reviewed. Worksheet 1 (Procurement) and Worksheet 3 (Section 3) should also be completed for these contractors.
 - a. If five or fewer contractors/vendors have been used to implement the projects, two contractors/vendors should be reviewed, if applicable.
 - b. If six or more contractors/vendors have been used to implement the project, three contractors/vendors should be reviewed, as applicable
2. For each contractor selected, select a sample of payrolls to review in order to draw conclusions about the Grantee/Subrecipient’s labor review process. Payrolls for the contractor and any subcontractors utilized by the contractor should be taken into account when determining sample size and selecting payrolls to be reviewed. If the sample population is more than 100, the monitor should select 20.
 - a. 100 – or more payrolls, select 20
 - b. 50 – 99, select 10
 - c. 20 – 49, select 5
 - d. Less than 20, select 3
3. Answer each question as directed and mark “N/A”, “Finding”, or “Concern” to identify any issues, as applicable.
4. Provide comments for your responses in the identified areas.
5. Summarize the results of the procurement and contracting compliance associated with the contract reviewed on Page 2 of this Worksheet.
6. Once Worksheet 2 (Labor Review) is completed for each contractor within the sample, complete Section 8 of the Project Checklist.

References and guidance are provided throughout this checklist section and should be used to help the Monitor determine if the standards are being met by the Grantee/Subrecipient.

THIS WORKSHEET SHOULD BE COMPLETED FOR EACH CONTRACT WITHIN THE SELECTED SAMPLE.

Documents Needed (for each non-exempt Contractor selected):

- Weekly payroll reports (Two per applicable contractor within contract sample)
- Verification of Wage Decision Form
- Contract (including Wage Decision included within contract)

Payroll Review

1. Is the Contractor exempt from Davis-Bacon and Related Acts and the Copeland Anti-Kickback requirements? If yes, do not execute the remainder of this Worksheet.

Must meet one of the following in order to be exempt:

- Construction contracts at or below \$2,000
- Rehabilitation or construction of residential structures containing less than eight units;
- Simple water and sewer line extensions without pumps, tanks, etc.
- Separate and distinct projects; or,
- Contracts solely for demolition, when no federally-funded construction is anticipated on the site.

- | | |
|------------------------------|----------------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> N/A |
| <input type="checkbox"/> No | <input type="checkbox"/> Finding |
| <input type="checkbox"/> N/A | <input type="checkbox"/> Concern |

WORKSHEET 2: LABOR REVIEW

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

Contractor: _____

| Requirements | Response | Issue Type | Comments |
|--------------|----------|------------|----------|
|--------------|----------|------------|----------|

For each contractor within the sample, select a sample of payrolls.

The sample size is determined by the total number of payrolls. Payrolls for the contractor and any subcontractors utilized by the contractor should be taken into account when determining sample size and selecting payrolls to be reviewed. If the sample population is more than 100, the monitor should select 20.

| # Payrolls | | More than 100 | 50-99 | 20-49 | Less than 20 |
|------------------|--|---------------|-------|-------|--------------|
| Min. Sample Size | | 20 | 10 | 5 | 3 |

Summarize the results of your payroll review on this Worksheet within questions 2, 3, 4, and 5.

| | | | |
|---|---|--|--|
| 2. Are the payroll reports accompanied by a signed "Statements of Compliance" from an authorized representative of the Contractor? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. Are weekly payroll reports being submitted timely for all employees and subcontractors being paid under the contract? <i>Compare the pay period and the date the Statement of Compliance was signed for each payroll within sample. The Statement of Compliance should be signed no more than 14 days after the pay period to be considered "timely".</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4. Do the payroll reports indicate that the contractor/subcontractor employees are being paid timely? <i>Review each payroll within the sample. Payrolls should be weekly in order to be considered "paid timely".</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5. Is there evidence that the payroll reports are being reviewed for labor compliance by the Grantee/Subrecipient's LCO, including reviews for required documentation (HUD Form WH-347), exact worker classifications, wage decisions, and mathematical accuracy? <i>The Monitor should ask the LCO the process for reviewing payroll reports. Review each payroll within the sample to determine if the process described by the LCO was followed.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

Wage Decisions

| | | | |
|--|---|--|--|
| 1. Was a "Verification of Wage Decision" form executed by all Contractors prior to the start date of the contract? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
|--|---|--|--|

OCD/DRU Compliance Monitoring Project Checklist - SUPPLEMENTAL WORKSHEETS

WORKSHEET 2: LABOR REVIEW

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

Contractor: _____

| Requirements | Response | Issue Type | Comments |
|--|---|--|----------|
| 2. If additional worker classifications have been requested, were the appropriate OCD/DRU procedures followed? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

SUMMARY OF REVIEW

Summarize the results of the Labor review executed for the selected contractor/contract by marking “Yes” or “No” for each question. If applicable, reference questions where findings or concerns were identified in the Comments field.

| | | | |
|--|---|-----------|--|
| 1. Is there evidence that contractor staff payroll is performed according to applicable regulations? | <input type="checkbox"/> Yes <input type="checkbox"/> No | Findings: | |
| | | Concerns: | |
| 2. Is there evidence that wage decisions were completed correctly? | <input type="checkbox"/> Yes <input type="checkbox"/> No | Findings: | |
| | | Concerns: | |
| General Comments: | | | |

WORKSHEET 3: SECTION 3 COMPLIANCE

| | | | |
|-------------------------------|--------------------|-----------------|------------------------|
| Grantee/ Subrecipient: | Project ID: | Monitor: | Date Completed: |
|-------------------------------|--------------------|-----------------|------------------------|

Contractor:

| Requirement | Response | Issue Type | Comments |
|-------------|----------|------------|----------|
|-------------|----------|------------|----------|

Description: Section 3 of the Housing and Urban Development Act of 1968 [12 U.S.C. 1701u and 24 CFR Part 135] is HUD’s legislative directive for providing preference to low- and very low-income residents of the local community (regardless of race or gender), and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects. A “covered project” is a project for which Section 3 applies. “Covered funds” are those funds used to fund a “covered project”.

This Section of the Project Worksheet is to be used to determine if Section 3 is triggered for the Grantee/ Subrecipient and, if applicable, that the Grantee/Subrecipient has procedures in place for ensuring compliance. Implementation of the Grantee/Subrecipient’s Section 3 procedures will be reviewed using the project checklist by reviewing RFPs, contracts, contractor Section 3 procedures and other supporting documentation.

Section 3 applies to the following HUD assistance (section 3 covered assistance):

- Housing and community development assistance: Housing rehabilitation, Housing construction, Other public construction
- Thresholds for section 3 covered housing and community development assistance.
 - Grantee/Subrecipient thresholds – The requirements of this part apply to recipients of other housing and community development program assistance for a section 3 covered project(s) for which the amount of assistance exceeds \$200,000.
 - Contractor and subcontractor thresholds – The requirements of this part apply to contractors and subcontractors performing work on section 3 covered project(s) for which the amount of assistance exceeds \$200,000; and the contract or subcontract exceeds \$100,000.
 - Threshold met for Grantee/Subrecipient, but not for contractors or subcontractors – If a recipient receives section 3 covered housing or community development assistance in excess of \$200,000, but no contract exceeds \$100,000, the section 3 preference requirements only apply to the recipient.

Section 3 Residents are:

- Residents of Public and Indian Housing, or
- Individuals that reside in the metropolitan area or nonmetropolitan parish in which the Section 3 covered assistance is expended and whose income does not exceed the local HUD income limits set forth for low- or very low-income households.

Section 3 Business Concerns are One of the Following:

- Businesses that are 51 percent or more owned by Section 3 residents;
- Businesses with 30 percent or more permanent, full-time employees whom are currently Section 3 residents, or were Section 3 residents within three years of the date of first employment; or
- Businesses that provide evidence of a commitment to subcontract in excess of 25 percent of the dollar amount of all subcontracts to be awarded to businesses that meet the qualifications described above.

Monitoring Instructions:

1. Select contractors/contracts to be reviewed. Worksheet 1 (Procurement) and Worksheet 3 (Section 3) should also be completed for these contractors.
 - a. If five or fewer contractors/vendors have been used to implement the projects, two contractors/vendors should be reviewed, if applicable.
 - b. If six or more contractors/vendors have been used to implement the project, three contractors/vendors should be reviewed, as applicable
2. Answer each question as directed and mark “N/A”, “Finding”, or “Concern” to identify any issues, as applicable.
3. Provide comments for your responses in the identified areas.
4. Summarize the results of the Section 3 Review associated with the contract reviewed on Page 4 of this Worksheet.
5. Once Worksheet 3 (Section 3 Review) is completed for each contractor within the sample, execute Section 10 of the Project Checklist.

THIS WORKSHEET SHOULD BE COMPLETED FOR EACH CONTRACT WITHIN THE SELECTED SAMPLE.

Required:

- Knowledge of Grantee/ Subrecipient’s total allocation and all project activities
- Executed Worksheet 1 for the contractor (or the applicable procurement solicitation)
- Contract
- Contractor’s Section 3 Plan

OCD/DRU Compliance Monitoring Project Checklist - SUPPLEMENTAL WORKSHEETS

WORKSHEET 3: SECTION 3 COMPLIANCE

Grantee/ Subrecipient: _____ **Project ID:** _____ **Monitor:** _____ **Date Completed:** _____

Contractor: _____

| Requirement | Response | Issue Type | Comments |
|--|---|--|----------|
| 1. Has the Grantee/Subrecipient met any of the thresholds for Section 3 covered assistance? (See the Core Checklist, Section 4.4.) | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 2. Was a Section 3 clause included in the procurement solicitation for this contractor? (See Worksheet 1, Procurement Requirements: Question 41) | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 3. Was a Section 3 clause included in this contractor's contract? (See Worksheet 1, Contract Requirements: Question 10) | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 4. Has the contractor been allocated \$100,000 or more DR-CDBG funds into projects/activities involving housing construction, demolition, rehabilitation, or other public construction—i.e., roads, sewers, community centers, etc.? <i>If no, the remaining questions within this Section are not applicable.</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 5. Does the contractor have a process in place (i.e., "Section 3 Plan") for notifying Section 3 residents about employment and training opportunities generated by Section 3 covered assistance? [24CFR 135.32 (a)] | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 6. Does the contractor have a process in place (i.e., "Section 3 Plan") for notifying Section 3 business concerns about contracting opportunities generated by Section 3 covered assistance? [24 CFR 135.32 (a)] | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 7. Does the contractor have a process in place for notifying potential contractors for Section 3 covered projects of the requirements of Section 3, and incorporating the Section 3 clause set forth in [135.38] in all solicitations and contracts? [24 CFR 135.32(b)] | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 8. Does the contractor have a process in place for facilitating the training and employment of Section 3 residents and the award of contracts to Section 3 business concerns by undertaking activities to reach the numerical goals set forth in [135.30]? [24 CFR 135.32(c)] | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist - SUPPLEMENTAL WORKSHEETS

WORKSHEET 3: SECTION 3 COMPLIANCE

| | | | |
|-------------------------------|--------------------|-----------------|------------------------|
| Grantee/ Subrecipient: | Project ID: | Monitor: | Date Completed: |
|-------------------------------|--------------------|-----------------|------------------------|

Contractor:

| Requirement | Response | Issue Type | Comments |
|---|---|--|----------|
| 9. Does the contractor have a process in place for obtaining the compliance of contractors and subcontractors with the requirements of Section 3 and refraining from entering into any contract with any contractor where the recipient has notice or knowledge that the contractor has been found in violation of the regulations in 24 CFR part 135? [24 CFR 135.32(d)] | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 10. Does the contractor have a process in place for documenting actions taken to comply with the requirements of Section 3, the results of actions taken, and impediments, if any? [24 CFR 135.32(e)] | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 11. Does the contractor have a process in place to inform units of local government to whom funds are distributed of the requirements of Section 3; to assist local governments and their contractors in meeting the requirements and objectives of this part; and to monitor the performance of local governments with respect to the objectives and requirements of Section 3? [24 CFR 135.32(f)] | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 12. <u>New Hire Goal</u> – Has the contractor hired employees to work on this project? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 12.1. Has the contractor demonstrated that, to the greatest extent feasible, it has made an effort to ensure that the employment objectives of its Section 3 Plan are met? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 13. <u>Contracting Goal</u> - Has the contractor entered into any contracts to execute this Project? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |
| 13.1. Has the contractor demonstrated that, to the greatest extent feasible, it has made an effort to ensure that the contracting objectives of its Section 3 Plan are met? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | <input type="checkbox"/> N/A <input type="checkbox"/> Finding <input type="checkbox"/> Concern | |

OCD/DRU Compliance Monitoring Project Checklist - SUPPLEMENTAL WORKSHEETS

WORKSHEET 3: SECTION 3 COMPLIANCE

| | | | |
|-------------------------------|--------------------|-----------------|------------------------|
| Grantee/ Subrecipient: | Project ID: | Monitor: | Date Completed: |
|-------------------------------|--------------------|-----------------|------------------------|

Contractor:

| Requirement | Response | Issue Type | Comments |
|-------------|----------|------------|----------|
|-------------|----------|------------|----------|

SUMMARY OF REVIEW

Summarize the results of the Labor review executed for the selected contractor/contract by marking “Yes” or “No” for each question. If applicable, reference questions where findings or concerns were identified in the Comments field.

| | | | |
|---|---|----------------------------|--|
| 1. Were Section 3 clauses included in all procurement and contracts? (Questions 2 & 3) | <input type="checkbox"/> Yes <input type="checkbox"/> No | Findings: Concerns: | |
| 2. Is the Contractor’s Section 3 Plan complete and are they implementing the Plan accordingly? (Questions 5-11) | <input type="checkbox"/> Yes <input type="checkbox"/> No | Findings: Concerns: | |
| 3. Has the Contractor met its Section 3 goals? (Questions 12 & 13) | <input type="checkbox"/> Yes <input type="checkbox"/> No | Findings: Concerns: | |

General Comments:

APPENDIX B

Resumes

Education and Certifications:

- M.B.A., Finance, The George Washington University
- B.S., Accounting, The Pennsylvania State University

Relevant Qualifications:

Mr. Raffensperger has more than 30 years of experience in both public and private accounting and consulting and has served as a Project Manager for CohnReznick's engagements with the Texas Development of Housing and Community Affairs, state of Mississippi, and state of Louisiana disaster housing grant programs to distribute community development block grant (CDBG) funds to homeowners affected by Hurricanes Katrina, Rita, and Wilma.

Mr. Raffensperger has extensive project management experience and knowledge in overseeing all aspects of each project, including full compliance with federal, state, and local policies governing CDBG distribution. Under these programs he oversaw the design of program policy and program requirements; establishment of the Project Management Offices; implementation of quality control and assurance programs; and development of approaches for application verification, grant approval, applicant notification, issue resolution, payment preparation, payment processing, and closeout.

Previous Experience:

Project 1:

Client: State of Louisiana Office of Community Development (OCD) Disaster Recovery Unit (DRU)

Reference:

Paul Rainwater
Chief of Staff
State of Louisiana
Phone: (225) 342-7000
Email: Paul.Rainwater@LA.gov

Office of the Governor
Mailing: P.O. Box 94004
Physical: 900 North 3rd St.
Baton Rouge, LA 70804

Project Description: CohnReznick developed and implemented compliance and monitoring plans for more than \$13 billion of Community Development Block Grant (CDBG)-funded programs including the Road Home long-term monitoring plans and contractor compliance and monitoring plans, monitoring plans for the Gustav/Ike Parish Implemented Program, and 13 of the state's Katrina/Rita CDBG Disaster Recovery Programs. In addition, CohnReznick was contracted by OCD/DRU to assist in the implementation and management of a Project Transition Office to ensure transition activities for the Homeowner Program, Small Rental Program, and supporting IT services from one contractor to another were monitored and carried out in the most accurate, effective, and efficient manner.

Role: Program Manager

Dates: August 2008 - Present

Responsibilities:

- As Program Manager on the engagement, Mr. Raffensperger leads a project team of 12 project managers, subject matter experts and analysts who are helping OCD/DRU staff

define the scope of services required for assuming the duties and responsibilities remaining to support, implement, and monitor the State's disaster Recovery programs.

Project 2:

Client: Mississippi Development Authority (MDA)

Reference:

Donna Sanford
Former Director for Disaster Recovery
Mississippi Development Authority
Phone: (601) 714-7440
E-mail: DonnaSanford@KPMG.com

MDA Main Office
Mailing: P.O. Box 849
Physical: 501 North West St.
Jackson, MS 39201

Project Description: CohnReznick provided program management and oversight over the distribution of more than \$2.5 billion of federal block grant disaster recovery funds for multiple MDA Disaster Recovery programs including the seamless integration of HUD, FEMA, SBA, and state policy requirements. As part of this project, CohnReznick developed procedures and protocols to evaluate and process applications and award grant funds; implemented grants management systems; established application intake centers; hired and trained more than 400 local Mississippians; ensured compliance with federal and state regulations; and provided a means to track and monitor the program and prevent fraud, waste, and abuse.

Role: Senior Program Manager

Dates: February 2006 - December 2008

Responsibilities:

- As a Senior Program Manager on the engagement, Mr. Raffensperger initiated the design and development of the Homeowner's Assistance Program and allocated more than \$3 billion dollars in federal grant funds to compensate homeowners for the damages sustained to their primary residences as a result of Hurricane Katrina.

Project 3:

Client: Texas Development of Housing and Community Affairs (TDHCA)

Reference:

Mike Giroux
Former ACS Project Manager
Texas Department of Housing and
Community Affairs
Phone: (630) 258-2880
E-mail: Mgg4846@gmail.com

TDHCA Main Office
Mailing: P.O. Box 12941
Physical: 221 East 11th St.
Austin, TX 78701

Project Description: CohnReznick provided program management and oversight over the distribution of more than \$200 million in U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) funds to Texas homeowners that rehabilitated or reconstructed approximately 2,500 homes. In addition, the team established the policies, processes, and tools needed to determine and validate homeowner eligibility, calculated program benefits amounts, and management of disbursement of funds.

Role: Policy Director and Deputy Program Manager

Dates: January 2008 - Present

Responsibilities:

- Works with the TDHCA Executive Director and Director of Disaster Recovery to design program policy and program requirements in order to rehabilitate or replace approximately 5,000 homes in 18 months;
- Assists with transition planning, which includes preparing a detailed Transition Plan and helping to supervise transition activities;
- Established a Project Management Office to ensure full compliance with federal, state, and local policies governing CDBG distribution—worked with team to create a compliance manual containing specific checklists and SOPs for maintaining compliance;
- Established a “360 Degree Monitoring Program” to monitor performance (technical, cost, schedule, human resources, customer satisfaction, etc.) from all angles and perspectives, to ensure we meet TDHCA criteria for performance and quality, while minimizing program risks;
- Provide ongoing policy guidance to team to verify its compliance with federal, state, and local laws and ensure that as policies change, those changes are immediately reflected in our updated policies, procedures, and CohnReznick Portfolio Grants Management System; and
- Provides formal weekly and monthly status reports, which provide visibility into the management process and status, as well as numerous informal calls, meetings, and e-mails.

Frank Banda

CohnReznick Partner, CPA, CFE, PMP

Education and Certifications:

- Post Graduate Studies, Accounting and Finance, University of Maryland
- B.S., Accounting, University of Maryland
- Certified Public Accountant (CPA)
- Certified Fraud Examiner (CFE)
- Certified Project Management Professional (PMP)

Relevant Qualifications:

Mr. Banda has more than 28 years of audit, accounting, and consulting experience working with federal and state regulations such as OMB A-133, A-122, and A-87. Mr. Banda has served as Project Manager for high profile federal grant administration and compliance and monitoring projects related to disaster recovery in Mississippi, Texas, and Louisiana. Additionally, he assists organizations with business process management improvement, program management, financial management research services, and financial reporting. Mr. Banda also established the policies and procedures for Stafford Act compliance for grant programs in Mississippi and Texas

Previous Experience:

Project 1:

Client: Texas Development of Housing and Community Affairs (TDHCA)

Reference:

Mike Giroux

Former ACS Project Manager
Texas Department of Housing and
Community Affairs

Phone: (630) 258-2880

E-mail: Mgg4846@gmail.com

TDHCA Main Office
Mailing: P.O. Box 12941
Physical: 221 East 11th St.
Austin, TX 78701

Project Description: CohnReznick provided program management and oversight over the distribution of more than \$200 million in U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) funds to Texas homeowners that rehabilitated or reconstructed approximately 2,500 homes. In addition, the team established the policies, processes, and tools needed to determine and validated homeowner eligibility, calculated program benefits amounts, and management of disbursement of funds.

Role: Project Manager

Dates: January 2008 - June 2011

Responsibilities:

- Supported the Program Manager and worked with the TDHCA Executive Director and Director of Disaster Recovery to design program policy and requirements and a detailed Transition Plan;
- Established a Project Management Office to ensure full compliance with policies governing CDBG distribution, including the creation of a compliance manual with specific checklists and Standard Operating Procedures for maintaining compliance; and
- Established a “360 Degree Monitoring Program” to track performance (technical, cost, schedule, human resources, customer satisfaction, etc.) from all angles and perspectives

to ensure we met TDHCA criteria for performance and quality, while minimizing program risks.

Project 2:

Client: Mississippi Development Authority (MDA)

Reference:

Donna Sanford
Former Director for Disaster Recovery
Mississippi Development Authority
Phone: (601) 714-7440
E-mail: DonnaSanford@KPMG.com

MDA Main Office
Mailing: P.O. Box 849
Physical: 501 North West St.
Jackson, MS 39201

Project Description: CohnReznick provided program management and oversight over the distribution of more than \$2.5 billion of federal block grant disaster recovery funds for multiple MDA Disaster Recovery programs including the seamless integration of HUD, FEMA, SBA, and state policy requirements. As part of this project, CohnReznick developed procedures and protocols to evaluate and process applications and award grant funds; implemented grants management systems; established application intake centers; hired and trained more than 400 local Mississippians; ensured compliance with federal and state regulations; and provided a means to track and monitor the program and prevent fraud, waste, and abuse.

Role: Project Manager

Dates: February 2006 - December 2008

Responsibilities:

- Managed 400 project staff in support of the Program Manager;
- Worked closely with the Governor's office, MDA, and HUD to design efficient and cost effective disaster recovery guidelines and transition, implementation, and monitoring plans;
- Developed approaches for application verification, grant approval, application notification, issue resolution, payment preparation, payment processing, and closeout in full compliance with all laws;
- Developed and implemented technology to automate all grant processing function (e.g., intake, benefit determination, benefit approval, distributions) and detect quality errors and fraud; and
- Managed the establishment of a call center, website, applicant guidebook, and application service centers to accommodate potentially 50,000 applicants in less than 75 days from contract start date.

Project 3:

Client: State of Louisiana Office of Community Development (OCD) Disaster Recovery Unit (DRU)

Reference:

Paul Rainwater
Chief of Staff
State of Louisiana
Phone: (225) 342-7000
Email: Paul.Rainwater@LA.gov

Office of the Governor
Mailing: P.O. Box 94004
Physical: 900 North 3rd St.
Baton Rouge, LA 70804

Project Description: CohnReznick developed and implemented compliance and monitoring plans for more than \$13 billion of Community Development Block Grant (CDBG)-funded programs including the Road Home long-term monitoring plans and contractor compliance and monitoring plans, monitoring plans for the Gustav/Ike Parish Implemented Program, and 13 of the state's Katrina/Rita CDBG Disaster Recovery Programs. Our responsibilities include preparing risk assessment, compliance monitoring plan, and checklists development; tracking and reporting system development and implementation; and performance monitoring process and tools

In addition, CohnReznick was contracted by OCD/DRU to assist in the implementation and management of a Project Transition Office to ensure transition activities for the Homeowner Program, Small Rental Program, and supporting IT services from one contractor to another were monitored and carried out in the most accurate, effective, and efficient manner. CohnReznick provided program management, project organization, coordination, policy planning, administration, transition monitoring, and oversight for assuring the successful transition from the former Road Home program contractor to the replacement contractor. CohnReznick was responsible for: transition requirements and planning as well as development, processing, and evaluation of business operations procurement Request for Proposals.

Role: Project Manager

Dates: August 2008-2011

Responsibilities:

- Lead a project team of 12 SMEs and analysts; and
- Prepared project plans, issue logs, process improvement recommendations and implementations, documentation validation, and creation

Additional Helpful Information:

Mr. Banda's direct and relevant experience regarding disaster recovery projects, specifically for federal grant programs, will benefit the NJ DCA. From his past roles in related projects, Mr. Banda has developed a proven ability to plan and implement large programs while managing risks, resolving issues, and achieving positive change. He is well versed in public policy and audit/fraud prevention, which has enabled him to serve as an expert witness for the Department of Justice. At CohnReznick, Mr. Banda has served as a Project Manager for several disaster housing recovery engagements where CohnReznick managed, administered, and monitored the distribution of federal funds to homeowners affected by Gulf Coast hurricanes. His vast expertise led his article, "Citizen-Centric Reporting on the Use of ARRA Funds" to be featured in a book published by the Association of Government Accountants (AGA) entitled Managing for High Government Performance.

Jack Callahan

CohnReznick Engagement Partner - Construction Industry, Practice Leader, CPA

Education and Certifications:

- B.S., Accounting, St. Peter's College
- Certified Public Accountant (CPA)

Relevant Qualifications:

Mr. Callahan is a CohnReznick Partner who leads the firm's Construction Industry practice. His more than 25 years experience in construction accounting, corporate taxation, and business consulting matters has earned him a highly regarded reputation within the construction community. Mr. Callahan has served clients in most construction specialties, including: heavy highway, general contractors, construction management, specialty contractors, building trades, and building supply and equipment companies.

Previous Experience:

Project 1:

Client: Office of the Inspector General of the Port Authority of NY and NJ

Reference:

Mr. Steven Pasichow
Office of the Inspector General
Port Authority of New York and New Jersey
Phone: (973) 565-4366
E-mail: spasichow@panynj.gov

Project Description: CohnReznick was engaged, as part of an agreement with Thacher Associates, by the Office of the Inspector General of the Port Authority of NY & NJ to perform fiscal and integrity monitoring services for the construction of the \$2 Billion World Trade Center Transportation Hub. We conducted on-site reviews of contractor performance to contracts, testing payment applications, reviewing cash disbursements, and analyzing payroll hours, among other procedures. Total fees earned on the engagement were \$1.05 Million.

Role: Engagement Partner

Dates: 2007-2010

Responsibilities:

- Assume overall responsibility for ensuring the completion of all monitoring services, coordinate the efforts of all professionals participating on the assignment, and ensure that our services are delivered in an integrated, cost-effective, and timely manner.

Project 2:

Client: 130 Liberty Street by the Lower Manhattan Development Corporation

Reference:

Gerard K. Frech
Managing Director
Thacher Associates, LLC
330 West 42nd Street, 23rd Floor
New York, NY 10036
Phone: 609-497-6466

Project Description: CohnReznick was retained as fiscal monitors as part of a monitoring agreement between the City of New York and Thacher Associates LLC to oversee the financial and operating compliance on the \$120 million deconstruction of the former Deutsche Bank building at 130 Liberty Street by the Lower Manhattan Development Corporation. This was the latest in a series of ongoing monitoring assignments that have spanned 10 years since Ground zero clean-up began. The total fees for this engagement were approximately \$1.5 million.

Role: Engagement Partner

Dates: 2005 - 2010

Responsibilities:

- Assume overall responsibility for ensuring the completion of all monitoring services, coordinate the efforts of all professionals participating on the assignment, and ensure that our services are delivered in an integrated, cost-effective, and timely manner.

Project 3:

Client: Schiavone Construction, LLC

Reference:

Mr. Michael P. Davis, P.E., Esq.
Associate General Counsel
Schiavone Construction Co. LLC
Phone: (201) 867-5070 Ext. 7144
Email: mdavis@schivone.net

Project Description:

Since August 2012, CohnReznick has been retained by Schiavone Construction Co. LLC to review allowance and change order submissions on three high profile contracts, one with the New York City Department of Environmental Protection and the other two with the Metropolitan Transit Authority. As part of this engagement, CohnReznick's procedures include:

- Testing payroll reports for labor rate compliance with federal and local laws, worker classification and related rates to union contracts, the reasonableness of labor burden mark-ups and whether they are allowable under contract and where applicable, ensuring that labor costs billed were actually incurred by tracing to the related time sheet data.
- Testing material costs for unit price support, reviewing the sales tax component on both temporary and permanent materials, ensure that materials are in-line with contract specifications and reviewing supplier approval.
- Testing of equipment rates to requirements per contract, including the distinction between owned and rental equipment. Cross reference operational hours with time summaries to ensure qualified operators were working during timeframe, equipment was charged to the project.
- Testing of subcontractor costs to actual invoices and signed subcontractor agreements. Verify subcontractor is approved and subsequent payment of subcontractor is in accordance with the timeframe set forth in the contract.

Role: Engagement Partner

Dates: August 2012 to present

Responsibilities:

- Assume overall responsibility for ensuring the completion of all monitoring services, coordinate the efforts of all professionals participating on the assignment, and ensure that our services are delivered in an integrated, cost-effective, and timely manner.

Rochell Cottingham

CohnReznick Manager, PMP, CIA, CISA, CFE, CCSA, CGAP

Education and Certifications:

- B.A., Economics with an emphasis in Business Administration and second major in English, University of South Carolina, Tougaloo College
- Certified Project Management Professional (PMP), Project Management Institute
- Certified Internal Auditor (CIA)
- Certified Information Systems Auditor (CISA)
- Certified Fraud Examiner (CFE)
- Certified in Control Self Assessment (CCSA)
- Certified Government Auditing Professional (CGFM)

Relevant Qualifications:

Mr. Cottingham is a Project Manager on CohnReznick's disaster grant project with the state of Louisiana. Mr. Cottingham is integral in the development and testing of monitoring plans and checklists for the state and is responsible for managing design and implementation of the state's monitoring and reporting system. He has more than 16 years of auditing, revenue assurance, quality assurance, fraud risk management, and project management experience. Mr. Cottingham managed the quality control, quality assurance, and fraud prevention functions for CohnReznick's disaster housing grant programs for the state of Mississippi and assured the success of each disaster recovery program through the evaluation of key processes in an effort to ensure seamless alignment between policy, procedures, and systems. Mr. Cottingham established processes for identifying, researching, documenting, and reporting on suspected fraud incidents and for coordinating with state and federal agencies to open investigations. He also developed the identity verification processes for the Mississippi Homeowner Assistance Program, which encompassed process definition, procedural documentation, process evaluation, testing, and implementation. He also established key relationships with outside parties to assist in the verification effort.

Mr. Cottingham's implementation of fraud controls under these disaster recovery programs led to more than 200 investigations, more than 20 criminal indictments and prosecutions, and millions in program savings. Additionally, he made key improvements related to internal controls and grant compliance. Prior to moving to disaster recovery, Mr. Cottingham specialized in fraud risk management, revenue assurance, project management, and audit and compliance at a Fortune 500 company and performed SOX 404 and remediation testing in one of the largest bankruptcy recovery efforts in U.S. history.

Previous Experience:

Project 1:

Client: State of Louisiana Office of Community Development (OCD) Disaster Recovery Unit (DRU)

Reference:

Paul Rainwater
Chief of Staff
State of Louisiana
Phone: (225) 342-7000
Email: Paul.Rainwater@LA.gov

Office of the Governor
Mailing: P.O. Box 94004
Physical: 900 North 3rd St.
Baton Rouge, LA 70804

Project Description: CohnReznick developed and implemented compliance and monitoring plans for more than \$13 billion of Community Development Block Grant (CDBG)-funded programs including the Road Home long-term monitoring plans and contractor compliance and monitoring plans, monitoring plans for the Gustav/Ike Parish Implemented Program, and 13 of the state's Katrina/Rita CDBG Disaster Recovery Programs. Our responsibilities include preparing risk assessment, compliance monitoring plan, and checklists development; tracking and reporting system development and implementation; and performance monitoring process and tools

In addition, CohnReznick was contracted by OCD/DRU to assist in the implementation and management of a Project Transition Office to ensure transition activities for the Homeowner Program, Small Rental Program, and supporting IT services from one contractor to another were monitored and carried out in the most accurate, effective, and efficient manner. CohnReznick provided program management, project organization, coordination, policy planning, administration, transition monitoring, and oversight for assuring the successful transition from the former Road Home program contractor to the replacement contractor. CohnReznick was responsible for: transition requirements and planning as well as development, processing, and evaluation of business operations procurement Request for Proposals.

Role: Manager

Dates: August 2008 - Present

Responsibilities: As project manager, Mr. Cottingham led efforts to design, develop, test, and implement a tracking and reporting system (TRS) for state of Louisiana Compliance Division; drafted requirements to expand system functionality to include parish-implemented programs and projects (PIPP); is currently working with state personnel to finalize system enhancements to streamline workflow processes; provides ongoing technical assistance and new user orientation to TRS users; developed contractor management strategy and monitoring checklists; drafted contractor checklist to assist state staff in monitoring the Short-Term Rental Assistance Program; assisted in the effort to design strategy and checklists for PIPP; currently works with state personnel to validate PIPP checklists and drafts sample checklists for use by parish-level grantees; and assisted in the effort to develop compliance and monitoring plans for 13 Katrina/Rita disaster recovery programs.

Project 2:

Client: Mississippi Development Authority

Reference:

Donna Sanford
Former Director for Disaster Recovery
Mississippi Development Authority
Phone: (601) 714-7440
E-mail: DonnaSanford@KPMG.com

MDA Main Office
Mailing: P.O. Box 849
Physical: 501 North West St.
Jackson, MS 39201

Project Description: CohnReznick was the prime contractor for multiple Mississippi Development Authority (MDA) Disaster Recovery programs following Hurricane Katrina. We provided program management and oversight for the distribution of federal block grant disaster recovery funds for MDA's HAP, SRAP, EGP, and Long-Term Workforce Housing Programs. CohnReznick developed procedures and protocols to evaluate and process applications and award grant funds; implemented grants management systems; established application intake centers; hired and trained more than 400 local Mississippians; ensured compliance with federal

and state regulations; and provided a means to track and monitor the program and prevent fraud, waste, and abuse. CohnReznick was directly involved in the distribution of more than \$2.5 billion under this program. The program's structure, personnel, and process were multi-focused, having oversight and responsibility for the seamless integration of HUD, FEMA, SBA, and state policy requirements.

Role: Manager

Dates: February 2006-January 2008

Responsibilities: As the Process Lead for Quality Assurance; Quality Control; and Fraud, Waste, and Abuse functions, Mr. Cottingham managed CohnReznick's efforts for the state of Mississippi's post-Katrina HAP, SRAP, Sold Home, and EG programs. In this role he:

- Assured the success of each program through the evaluation of key processes in an effort to assure seamless alignment between policy, procedures, and systems;
- Provided oversight in the effort to fully document policies and procedures for HAP, SRAP, and EG programs;
- Coordinated with responsible personnel to resolve identified variances within their area, to define the appropriate corrective and preventative measures, and to implement required changes;
- Researched, documented, and reported on suspected fraud incidents;
- Identified more than \$50 million in potential fraud and quality exposures and helped to implement key improvements related to internal controls and grant compliance;
- Coordinated with state and federal agencies on suspected fraud investigations;
- Implemented detective and preventive fraud controls that led to more than 200 investigations and more than 20 criminal indictments and prosecutions;
- Developed Identity Verification processes and helped coordinate the effort to partner with third-party agencies to assist in verification effort;
- Defined identify verification steps;
- Documented and adjusted procedures as the process matured;
- Assessed and adjusted staffing levels to meet ongoing need; and
- Developed orientation and training program for staff.

Education and Certifications:

- A.A.S., Data Processing/Programming, Hinds Junior College
- Mississippi Certified Public Manager (CPM)

Relevant Qualifications:

Ms. Poirrier has more than 30 years of experience in Project Management and Information Technology. The majority of this experience has been in the public sector with the state of Mississippi. She has functioned in various IT management and support roles, to include: application support, requirements analysis, systems analysis and design, project management, business process re-engineering, risk management, and training. Upon retirement from the state of Mississippi, her more recent experience has been with Community Development Block Grant (CDBG) Disaster Recovery projects in Mississippi and Louisiana, with a particular focus on areas dealing with communication with program applicants, business process analysis, project management, RFP development, compliance and monitoring plans, CDBG Grantee Administrative processes, and end-user training.

Previous Experience:

Project 1:

Client: State of Louisiana Office of Community Development (OCD) Disaster Recovery Unit (DRU)

Reference:

Paul Rainwater
Chief of Staff
State of Louisiana
Phone: (225) 342-7000
Email: Paul.Rainwater@LA.gov

Office of the Governor
Mailing: P.O. Box 94004
Physical: 900 North 3rd St.
Baton Rouge, LA 70804

Project Description: CohnReznick developed and implemented compliance and monitoring plans for more than \$13 billion of Community Development Block Grant (CDBG)-funded programs including the Road Home long-term monitoring plans and contractor compliance and monitoring plans, monitoring plans for the Gustav/Ike Parish Implemented Program, and 13 of the state's Katrina/Rita CDBG Disaster Recovery Programs. In addition, CohnReznick was contracted by OCD/DRU to assist in the implementation and management of a Project Transition Office to ensure transition activities for the Homeowner Program, Small Rental Program, and supporting IT services from one contractor to another were monitored and carried out in the most accurate, effective, and efficient manner

Position: Project Manager, Analyst and SME

Dates: August 2008 - Present

Responsibilities: As a project manager, Ms. Poirrier is involved with the following tasks with OCD/DRU:

- Developing project work plans and managing tasks to ensure projects remain on track and within budget;
- Providing project oversight and QA of work products for projects such as performance monitoring, compliance and monitoring plans and checklists, risk assessments, file

management reviews, development of business requirements for tracking and reporting systems, user acceptance test plans; training materials, staffing analysis, process improvement analysis and recommendations, and policies and procedures;

- Developing the Disaster Recovery CDBG Grantee Administrative Manual;
- Facilitating work sessions and training workshops; and
- Managing updates to the OCD/DRU Disaster Recovery CDBG Grantee Administrative Manual.

Project 2:

Client: Mississippi Development Authority (MDA)

Reference:

Donna Sanford
Former Director for Disaster Recovery
Mississippi Development Authority
Phone: (601) 714-7440
E-mail: DonnaSanford@KPMG.com

MDA Main Office
Mailing: P.O. Box 849
Physical: 501 North West St.
Jackson, MS 39201

Project Description: CohnReznick was the prime contractor for multiple Mississippi Development Authority (MDA) Disaster Recovery programs following Hurricane Katrina. We provided program management and oversight for the distribution of federal block grant disaster recovery funds for MDA's HAP, SRAP, EGP, and Long-Term Workforce Housing Programs. CohnReznick developed procedures and protocols to evaluate and process applications and award grant funds; implemented grants management systems; established application intake centers; hired and trained more than 400 local Mississippians; ensured compliance with federal and state regulations; and provided a means to track and monitor the program and prevent fraud, waste, and abuse. CohnReznick was directly involved in the distribution of more than \$2.5 billion under this program. The program's structure, personnel, and process were multi-focused, having oversight and responsibility for the seamless integration of HUD, FEMA, SBA, and state policy requirements.

Role: Communication Lead

Dates: February 2006 - December 2008

Responsibilities: As communication lead, Ms. Poirrier was responsible for coordinating all aspects of applicant communication for the HAP, SRAP, and EGP, including:

- Oversight of the MDA Call Center and helpdesk activities;
- Maintenance of current program information and FAQs for the program website;
- Communicating program information such as press releases, major applicant mail-outs, and policies to the Call Center and the Service Centers so the staff could adequately communicate with applicants;
- Coordinating the creation, review, approval, and implementation of all written correspondence to applicants; and
- Managing applicant communication processes (i.e., mass mail-outs, outreach efforts, applicant withdrawals, mailing address changes and returned mail).

Project 3:

Client: Mississippi Development Authority (MDA)

Reference:

Donna Sanford
Former Director for Disaster Recovery
Mississippi Development Authority
Phone: (601) 714-7440
E-mail: DonnaSanford@KPMG.com

MDA Main Office
Mailing: P.O. Box 849
Physical: 501 North West St.
Jackson, MS 39201

Project Description: MDA was allocated more than \$5 billion dollars in Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development to design and implement disaster relief programs for the Mississippi Gulf Coast as a result of Hurricane Katrina. Programs were established to address immediate relief needs, which compensated homeowners who suffered damage from Hurricane Katrina and also to incentivize developers to meet the low and moderate housing needs post disaster. To assist applicants and potential applicants, MDA established a Customer Service Call Center for these programs.

Role: Supervisor

Dates: March 2006 - October 2006

Responsibilities:

- Developed and implemented the call center start-up plan at the beginning of the Homeowner Assistance Program.
- Developed daily operation procedures, staffing plan, employee training plan, communication tools, and a customer service representative guidebook;
- Managed the day-to-day call center operations, initially hiring, training, and managing 70 call center operators and three supervisors; staffing the call center six days/week from 7:00 a.m. to 7:00p.m.;
- Coordinated necessary call center hardware and software support with the technical staff;
- Coordinated the collection of responses during public comment periods for new MDA programs and amendments to existing programs; and
- Responsible for ongoing communication between MDA and the Call Center regarding program policies.

Dean H. Krogman
CohnReznick Director, CPA, CFF, CIRA

Education and Certifications:

- M.B.A. ,Accounting, Rutgers College
- B.S., Economics, Rutgers College
- Certified Public Accountant (CPA)

Relevant Qualifications:

Mr. Krogman, a director in CohnReznick Advisory Group, is responsible for leading performance consulting, corporate governance, regulatory compliance, and internal audit engagements. He has worked for clients ranging in size from \$12 million to \$4 billion in revenue in numerous industries, including banking and finance, real estate, education, electronics manufacturing, publishing, retailing, biotech, pharmaceutical marketing, manufacturing and product development, entertainment products, and equipment leasing.

Mr. Krogman has broad experience in financial accounting and reporting, auditing, multinational operations, project management and treasury and tax issues. He has experience in the application of financial accounting standards and Securities and Exchange Commission (SEC) reporting and regulation. Mr. Krogman accumulated over 20 years of progressive experience in controllership and auditing before joining the Firm.

Previous Experience:

Project 1:

Client: Vice President of Technical Activities for Financial Executives International

Responsibilities:

- Responsible for developing effective positions on new standards and rules proposed by the Financial Accounting Standards Board and the SEC

Project 2:

Client: Assistant Corporate Controller and Director of Internal Audit for a \$2.5 billion electronic and electrical products manufacturer

Responsibilities:

- Responsible for all corporate external financial reporting including consolidated financial statements, footnotes and narrative analysis in Forms 10-K, 10-Q, and stock registration filings with the SEC.
- Directed corporate internal audits and was responsible for auditing 75 locations worldwide.
- Supervised a five-person corporate reporting department, a six-person internal audit department, and an eight-person corporate accounting department, having multiple corporate ledger and reconciliation responsibilities.

Tim Bender

CohnReznick Partner, CPA, PMP

Education and Certifications:

- M.B.A., Johns Hopkins University
- M.S., Finance, Johns Hopkins University
- B.S., Business Administration, Villanova University
- Certified Public Accountant (CPA)
- Certified Project Management Professional (PMP)

Relevant Qualifications:

Mr. Bender is a CohnReznick Partner with more than 20 years of experience providing consulting services to state and local government agencies, commercial real estate companies, nonprofit organizations, and private industry entities. His services include project management, compliance audits, review services, policy development, internal audit, strategic planning, technology planning, organizational reviews, litigation support, and contract assurance. Mr. Bender is qualified to perform the work related to the scope due to his past experience as a program manager for federally funded disaster recovery programs, which included compliance with the Stafford Act and CDBG-DR programs. He also has experience providing oversight to closeout activities and quality control functions of federally funded disaster recovery projects in Mississippi and Texas.

Mr. Bender's responsibilities have included management and administration of federal block grant programs; benefit administration and calculation; strategic analysis and policy development; closeout; mitigation of fraud, waste, and abuse; risk management; and communication with key federal, state, and local government stakeholders. His past experience includes design/build construction, pre-construction services, estimating, scheduling, contract purchasing, cost engineering, value engineering, change order management, and trade coordination.

Previous Experience:

Project 1:

Client: Texas Development of Housing and Community Affairs (TDHCA)

Reference:

Mike Giroux

Former ACS Project Manager
Texas Department of Housing and
Community Affairs
Phone: (630) 258-2880
E-mail: Mgg4846@gmail.com

TDHCA Main Office
Mailing: P.O. Box 12941
Physical: 221 East 11th St.
Austin, TX 78701

Project Description: CohnReznick provided program management and oversight over the distribution of more than \$200 million in U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) funds to Texas homeowners that rehabilitated or reconstructed approximately 2,500 homes. In addition, the team established the policies, processes, and tools needed to determine and validated homeowner eligibility, calculated program benefits amounts, and management of disbursement of funds.

Role: Project Manager

Dates: March 2011 - August 2011

Responsibilities:

- Supported the Program Manager to complete and closeout the project;
- Supervised grant management personnel to ensure full compliance with policies governing the Stafford Act and grant distribution; and
- Established a “360 Degree Monitoring Program” to track performance (technical, cost, schedule, human resources, customer satisfaction, etc.) from all angles and perspectives, to ensure we met TDHCA criteria for performance and quality, while minimizing program risks.

Project 2:

Client: Mississippi Development Authority (MDA)

Reference:

Donna Sanford
Former Director for Disaster Recovery
Mississippi Development Authority
Phone: (601) 714-7440
E-mail: DonnaSanford@KPMG.com

MDA Main Office
Mailing: P.O. Box 849
Physical: 501 North West St.
Jackson, MS 39201

Project Description: CohnReznick provided program management and oversight over the distribution of more than \$2.5 billion of federal block grant disaster recovery funds for multiple MDA Disaster Recovery programs including the seamless integration of HUD, FEMA, SBA, and state policy requirements. As part of this project, CohnReznick developed procedures and protocols to evaluate and process applications and award grant funds; implemented grants management systems; established application intake centers; hired and trained more than 400 local Mississippians; ensured compliance with federal and state regulations; and provided a means to track and monitor the program and prevent fraud, waste, and abuse.

Role: Service Center Manager, Program Manager

Dates: February 2006 - December 2008

Responsibilities: Mr. Bender managed programs for application intake and processing, verification, grant approval, applicant notification, issue resolution, quality control, payment processing, and closeout. Mr. Bender’s responsibilities included:

- Developing three full-service, onsite grant application centers on the Gulf Coast of Mississippi after Hurricane Katrina;
- Recruiting, screening, hiring, training, and managing more than 250 local residents to operate the centers, identifying locations for the centers, obtaining physical equipment, developing architectural and logistical floor plans, managing the construction build-outs, and securing the necessary technological resources; and
- Overseeing the closeout program.

Project 3:

Client: U.S. Department of Housing and Urban Development (HUD) Disaster Housing Assistance Program (DHAP-Katrina)

Reference:

David Vargas
Deputy Assistant Secretary
Real Estate Assessment Center (REAC) of
HUD
Phone: (202) 708-2815
E-mail: David.A.Vargas@HUD.gov

HUD Office of Public and Indian Housing
Real Estate Assessment Center
550 12th St., SW
Suite 100
Washington, DC 20410

Project Description: CohnReznick transitioned oversight of housing vouchers from HUD and was then responsible for managing and administering the disbursement of housing vouchers to nearly 40,000 tenants displaced by Hurricanes Katrina and Rita. The team worked with numerous federal and state agencies to link databases and disaster-related information. CohnReznick developed standard reports distributed to federal agencies and the public and answered queries from Congress. The team expanded its services following Hurricanes Ike and Gustav.

Role: Program Manager

Dates: Dec. 2007 - Dec. 2009

Responsibilities:

- Supervised of development and dissemination of program information to stakeholders;
- Collected, management, and distribution of tenant information;
- Implemented of disaster-related information systems; and
- Managed quality control and reporting.

Project 4:

Client: Department of Housing and Urban Development (HUD), Disaster Housing Assistance Program (DHAP-Ike)—subcontractor to Ofori & Associates

Reference:

David Vargas
Deputy Assistant Secretary
Real Estate Assessment Center (REAC) of
HUD
Phone: (202) 708-2815
E-mail: David.A.Vargas@HUD.gov

HUD Office of Public and Indian Housing
Real Estate Assessment Center
550 12th St., SW
Suite 100
Washington, DC 20410

Project Description: CohnReznick supported a master services contract to provide technical assistance to DHAP grantees and provide systems support to implement and report services under the program for the HUD's Office of Public and Indian Housing in the event of a natural disaster.

Role: Engagement Principal

Dates: August 2010 - February 2012

Responsibilities:

- Coordinated efforts with DHAP and Ofori to meet deadlines and provide requested assistance; and
- Oversaw the CohnReznick team's development of Standard Operating Procedures, outreach to families and public housing authorities, and assistance to affected individuals.

Project 5:

Client: U.S. Department of Housing and Urban Development (HUD) Temporary Housing Units (THUs) to Housing Choice Vouchers (HCVs) Program

Reference:

David Vargas

Deputy Assistant Secretary

Real Estate Assessment Center (REAC) of
HUD

Phone: (202) 708-2815

E-mail: David.A.Vargas@HUD.gov

HUD Office of Public and Indian Housing

Real Estate Assessment Center

550 12th St., SW

Suite 100

Washington, DC 20410

Project Description: In June 2009, Congress appropriated \$80 million in tenant-based rental assistance under the Supplemental Appropriations Act for Fiscal Year 2009. Congress provided that the funds be competitively awarded to Public Housing Authorities (PHAs) in areas impacted by Hurricanes Katrina and Rita. More than 10,000 HUD HCVs were awarded to PHAs. CohnReznick was charged with converting individuals and families from short-term transitional closeout assistance to long-term rental assistance through the DHAP to HCV program.

Role: Engagement Principal

Dates: January 2010 - March 2012

Responsibilities:

- Oversaw CohnReznick's responses to requests from public housing authorities and families that requested assistance; and
- Reviewed the transition process from short-term assistance to long-term rentals.

Education and Certifications:

- M.S., Criminal Justice with Distinguished Honors, University of Maryland
- B.S., Executive Leadership, Darden School of Business, University of Virginia
- Certified Fraud Examiner (CFE)
- Certified Insurance Education Instructor
- Certified ASIS Protection Professional (CPP), Washington, D.C.
- Security Clearance—TS/SCI with Polygraph—Current
- Board Member, International Association of Financial Criminal Investigators

Relevant Qualifications:

The Honorable Kenneth M. Donohue is a Senior Advisor with CohnReznick. Mr. Donohue focuses on compliance issues, fraud and abuse, and prevention and protection internal controls on behalf of the firm's federal and state and local government clients. He is a Senior Advisor to principals nationwide.

Before joining CohnReznick in 2010, Mr. Donohue served for nine years as Inspector General for the U.S. Department of Housing and Urban Development (HUD). In his leadership role with HUD, he managed over 700 staff nationwide in 42 offices with an annual budget of \$125 million. His role as HUD's Inspector General was focused on compliance matters, identification of fraud, waste, abuse, and mismanagement, and implementation of prevention and protection internal controls. Mr. Donohue had oversight of HUD's Office of Public and Indian Housing (which included 2,700 public housing authorities), a nationwide Community Project Development, Ginnie Mae and the Federal Housing Administration.

Mr. Donohue's experience also includes an extensive 21 years with the U.S. Secret Service as a special agent.

Previous Experience:

Position 1:

Agency: U.S. Department of Housing and Urban Development

Position: Inspector General

Dates: September 2001 - October 2010

Responsibilities: Mr. Donohue was nominated by President George W. Bush and unanimously confirmed by the U.S. Senate as Inspector General for HUD's Office of Inspector General. As HUD IG, Mr. Donohue:

- Directed headquarters senior staff and 42 local offices nationwide with a staff of 700 employees, managing an annual budget of \$125 million;
- Reported semiannually to the U.S. Congress and the President on matters relating to fraud, waste, and abuse through investigative, inspection, and audit efforts;
- Created a policy of accountability;
- Served as a member and Co-Chair of the Attorney General's National Integrity Fraud Task Force;
- Served as a member of the President's Council of the Inspectors General of the Integrity and Efficiency (CIGIE), and as Chair of the Investigations Committee; and
- Frequently guest lectured at various associations, conferences, and universities on public corruption and mortgage fraud

Position 2:

Company: Mikadon Group

Positions: President and Founder

Dates: May 1997 - September 2001

Responsibilities: As founder and head of Mikadon Group, an International Management/Security Consulting firm, Mr. Donohue oversaw the management and activities of the entire company. The firm went under contract with several agencies to provide consulting services that include training, risk assessments, and investigations.

Position 3:

Agency: Federal Deposit Insurance Commission/Resolution Trust Corporation

Position: Assistant Director

Dates: June 1990 - May 1997

Responsibilities: Mr. Donohue was appointed as Assistant Director, Office of Investigations, within the Resolution Trust Corporation (RTC). His staff was successful in uncovering fraud and abuse among directors and officers of failed savings and loan institutions. He served as a member of the National Bank Fraud Working Group, with other regulatory agency senior representatives, as well as senior law enforcement personnel from the Departments of Justice and Treasury.

Position 4:

Company: U.S. Secret Service

Position: Senior Special Agent

Dates: July 1969 - June 1990

Responsibilities: Mr. Donohue had a distinguished 21-year career with the U.S. Secret Service as a special agent, culminating with an assignment to the Assistant Director's CIA Counter-Terrorism Center. He served a diverse career that included major investigations and various assignments in dignitary protection. During his career he served two tours with the Protective Intelligence Division.

References:

Shaun Donovan

Secretary

HUD

Phone: (202) 708-0417

Email: Secretary.Donovan@hud.gov

U.S. Department of Housing and Urban

Development

451 7th St. SW, room 10000

Washington, DC 20410

Robert VanEtten

Inspector General

Port Authority of NY & NJ

Phone: (973) 565-4340

Email: InspectorGeneral@panynj.gov

PANYNJ Office of Inspector General

5 Marine View Plaza, Suite 502

Hoboken, NJ 07030

Education and Certifications:

- B.A., Syracuse University

Relevant Qualifications:

As Senior Advisor to CohnReznick, Mr. Bernardi brings extensive experience in local, state, and federal governments from his prior positions as Deputy Secretary of the U.S. Department of Housing and Urban Development (HUD), Assistant secretary of Community Planning and Development, and Mayor of the City of Syracuse, NY. In addition to his roles in public service, Mr. Bernardi is an affiliate Professor at George Mason University and an adjunct Professor in the Graduate School of Continuing Studies at Georgetown University.

Using his expertise with HUD and his knowledge of state government, specifically in the Northeast region, Mr. Bernardi will bring great guidance to recovery efforts in the wake of Hurricane Sandy. It is his priority to ensure the recovery process is smooth and stress-free for the survivors.

Previous Experience:

Position 1:

Company: The Bernardi Group, LLC

Position: Managing Partner

Dates: December 2011 - Present

Responsibilities: Mr. Bernardi offers expertise, counsel and advice to various companies and organizations. Having served many years in local, state and federal government, he is able to offer experienced guidance.

Position 2:

Company: CGI Technologies and Solutions, Inc.

Position: VP of Government Relations

Dates: March 2009 - December 2011

Responsibilities: Mr. Bernardi served as VP of Government Relations to international and information technology specifics. His key responsibilities were to network and enhance business opportunities for business growth.

Position 3:

Agency: U.S. Department of Housing and Urban Development (HUD)

Position: Deputy Secretary

Dates: January 2004 - December 2011

Responsibilities: In June of 2004, Mr. Bernardi was nominated by President Bush as Deputy Secretary of HUD and was confirmed by the U.S. Senate in November of 2004. He was charged with managing HUD's day-to-day operations, a \$38 billion annual budget, and the agency's 8,500 employees. Under his management, two HUD programs were removed from the Government Accountability Office's high-risk watch list and \$2 billion in fraudulent payments

were eliminated from the rental assistance housing program. Mr. Bernardi also collaborated with various government agencies and executives by negotiating Memorandums of Agreement. Through these management initiatives, HUD was committed to ending chronic homelessness through employing and housing with the Department of Labor and to providing housing or veterans through the Veterans Affairs Supportive Housing Program with the Department of Veterans Affairs.

Position 4:

Organization: Community Planning and Development (CPD)

Position: Assistant Secretary

Dates: January 2001 - December 2003

Responsibilities: In 2001, Mr. Bernardi was nominated by President Bush and confirmed by the U.S. Senate as the Assistant Secretary of CPD. While holding this position, Mr. Bernardi facilitated partnerships with local and state governments, the private sector, and nonprofit organizations to create decent housing, suitable living conditions, and economics opportunities for low- and moderate-income citizens.

Position 5:

Organization: City of Syracuse, NY

Position: Mayor

Dates: January 1994 - December 2001

Responsibilities: In January of 1994, Mr. Bernardi became the 51st Mayor of the City of Syracuse. As Mayor, he overhauled municipal financial services, eliminated duplicative departmental functions and streamlined governmental operations. Because of these accomplishments, Mr. Bernardi is credited for significant annual budget savings, bringing the number of violent crimes to their lowest levels in the 1990s, and targeting slum landlords. He was the first Mayor in the Northeast to merge a large city police department with those of suburban small villages.

Position 6:

Organization: City of Syracuse, NY

Position: Auditor

Dates: January 1974 - December 1993

Responsibilities: Prior to being elected Mayor, Mr. Bernardi served as Auditor of the City of Syracuse for 19 years. In his role, he was responsible for conducting audits within the agencies, bureaus and boards of the city government. Mr. Bernardi worked to ensure that taxpayer dollars were spent wisely and for their appropriated purposes. He also worked to ensure each audit achieved its desired goals, resulting in improved effectiveness and efficiency of city services.

References:

Paul Webster

Director, Financial Management Division

Office of Community Planning and

Development, HUD

Phone: (202) 402-4563

Email: Paul.Webster@hud.gov

Office of Community Planning and

Development, HUD

451 7th St. SW, Room 7180

Washington, DC 20410

Nelson Bregon
Senior Advisor/Associate Deputy Secretary
Office of Field Policy and Management,
HUD
Phone: (202) 708-2426
Email: Nelson.R.Bregon@hud.gov

Office of Field Policy and Management,
HUD
451 7th St. SW, Room 7108
Washington, DC 20410

Education and Certifications:

- B.S., Accounting, Central Washington University
- Certified Project Management Professional (PMP)

Relevant Qualifications:

Ms. Brower has more than 18 years of program design, project management, change management, and consulting experience, 12 of which include working with federal and state resources administered by US Departments of Homeland Security, Commerce, and Housing & Urban Development. She has worked with FEMA and state officials to provide strategies to address unmet needs of projects and people funded by Stafford Act Public Assistance, Individual Assistance, and Hazard Mitigation and other Federal and State programs. Ms. Brower has served as Project Manager for high profile federal grant administration, including process design, implementation, including compliance and monitoring of projects related to disaster recovery in Texas, and Louisiana.

Ms. Brower has advanced experience with business processes, operational analysis, and understanding of integrated, interdependent, and interfaced systems and their impacts on each other. She has assisted organizations with business process improvement, program management, financial management and financial reporting.

Ms. Brower has extensive experience managing projects with cross-functional, cross-organizational teams with the advanced ability to lead, organize, and prioritize multiple projects and associated resources as well as the ability to analyze project objectives, develop technical requirements, and analyze severity of risk including determination of the need to escalate to leadership and or employ external services.

Previous Experience:

Project 1

Client: US Department of Homeland Security

Reference:

Charles Heltsley
HQ/FEMA- Regional Planning
Phone (202) 646-1358
Email: charles.heltsley@fema.dhs.gov

CPCB/Long Term Community Recovery
500 C Street, SW
Washington DC 20472

John J. Forr, Director
Bureau of Recovery and Mitigation
Pennsylvania Emergency Management
Agency
Phone 717 651 2146
Email: jforr@pa.gov

PEMA Central Office
2605 Interstate Drive
Harrisburg, Pennsylvania 17110

Project Description: Ms. Brower supported the Branch Chief in community recovery planning of 11 counties including over 40 municipalities in the states of Mississippi, Pennsylvania and Texas. The team developed goals and strategies for the long term recovery of communities most impacted by Hurricanes. Strategies addressed unmet needs of projects and people funded

by Stafford Act Public Assistance, Individual Assistance, and Hazard Mitigation and other Federal and State programs.

Role: Operations Lead/Community Planner

Dates: November 2005 - June 2006
October 2008 - May 2009
November 2011 - September 2012

Responsibilities:

- Worked closely with federal, state, county and city staff to establish goals and strategies of projects that would further the recovery of impacted communities;
- Developed scope, budget and potential financial resources to match or augment Stafford Act funds or address those projects not eligible for Stafford Act funds;
- Coordinated Federal, State and local resources to educate community leadership regarding eligibility or status of Stafford Act funded projects; and
- Provided technical assistance in the application and process requirements of US Department of Commerce and US Department of Housing & Urban Development funding for the Commonwealth of Pennsylvania.

Project 2:

Client: Harris County Texas, Office of Community Development

Reference:

Daphne Lemelle, Deputy Director
Harris County Community Services
Department
Phone: (713) 578-2064
E-mail: daphne.lemmelle@csd.hctx.net

HCTX CSD Main Office
8410 Lantern Point Drive
Houston, TX 77054

Craig Atkins, CFO/Director
Finance Division, Harris County Community
Services Department
Phone (713) 578-2060
Email: craig.atkins@csd.hctx.net

HCTX CSD Main Office
8410 Lantern Point Drive
Houston, TX 77054

Project Description: Ms Brower supported the Program Manager in providing program design, management and oversight over the distribution of more than \$56 million in U.S. Department of Housing and Urban Development Community Development Block Grant Disaster Recovery funds to Harris County, Texas' homeowners that rehabilitated or reconstructed approximately 520 homes. In addition, she led the team to establish the policies, processes, and tools needed to determine and validate homeowner eligibility, calculate program benefits amounts, and disbursement of funds.

Role: Project Manager

Dates: June 2009 - October 2010

Responsibilities:

- Worked closely with the Deputy Director and Chief Financial Officer of the Community Services Department to design program policy and requirements including the development of custom software to manage applications, work flow, financial transactions, underwriting of loans, construction management, complete with quality controls;

- Established policies governing CDBG-DR distribution, including the creation of a compliance manual with specific checklists and forms within a Standard Operating Procedures for maintaining compliance;
- Performed workload analysis, workforce recruitment strategies, to respond to cyclical needs of Program delivery to promote right-sizing of personnel to conduct necessary activities;
- Designed, and managed comprehensive reporting metric and analysis tools for performance assessment, and measurement of Program effectiveness, performance, financial control accounts, transaction processing and transaction allocation requirements; and
- Managed compliance sanctions in conjunction with the reduction of fraud, waste and abuse Program activities.

Project 3:

Client: State of Louisiana Office of Community Development - Disaster Recovery Unit

Reference:

Calvin Parker, Former Program Manager
 State of Louisiana OCD-DRU
 Phone: (504) 258-3309
 Email: calvinlparker@rocketmail.com

Calvin Parker Consulting
 111 West 119th Street
 New York, NY 10026

Steven Green, Former Finance Manager
 State of Louisiana OCD-DRU
 Phone (225) 270-3198
 Email: scgreen53@gmail.com

Steven Green
 15636 Chickamauga Ave
 Baton Rouge, LA 70817

Project Description: Ms. Brower was the Project Manager of Small Rental Property Program for the State of Louisiana with an \$869 million project budget. Worked very closely with Office of Community Development and state elected officials to create a HUD Community Development Block Grant CDBG-Disaster Recovery funded incentive program for small-scale residential rental property owners who in return offer units to very low-to-low income tenants affected by Hurricanes Katrina and Rita. Nearly 17,000 applications received, nearly 12,000 units potentially participating in the program.

Role: Project Manager

Dates: June 2006 - October 2008

Responsibilities:

- Designed program policy and procedures working very closely with Office of Community Development and state elected officials;
- Lead a project team of over 200 staff;
- Developed and managed the program operations and the program delivery budgets,
- Established policies governing CDBG-DR distribution, including the creation of a compliance manual with specific checklists and forms within a Standard Operating Procedures for maintaining compliance; and,
- Performed workload analysis, workforce recruitment strategies, to respond to cyclical needs of Program delivery to promote right-sizing of personnel to conduct activities.

Amy Benbrook
CohnReznick Partner, CPA

Education and Certifications:

- B.S., Accounting, Monmouth University
- Certified Public Accountant (CPA)

Relevant Qualifications:

Ms. Benbrook is a CohnReznick Partner with more than 16 years of diversified public accounting experience, with a concentration in providing accounting, auditing, and tax advisory services to the construction and real estate industries.

Her experience includes breakeven analyses, compensation programs, corporate restructuring, and estate and succession planning.

Previous Experience:

Project 1:

Client: Office of the Inspector General of the Port Authority of NY and NJ

Reference:

Mr. Steven Pasichow
Office of the Inspector General
Port Authority of New York and New Jersey
Phone: (973) 565-4366
E-mail: spasichow@panynj.gov

Project Description: CohnReznick was engaged, as part of an agreement with Thacher Associates, by the Office of the Inspector General of the Port Authority of NY & NJ to perform fiscal and integrity monitoring services for the construction of the \$2 Billion World Trade Center Transportation Hub. Conducted on-site reviews of contractor performance to contracts, testing payment applications, reviewing cash disbursements, and analyzing payroll hours, among other procedures. Total fees earned on the engagement were \$1.05 Million.

Role: Audit Partner

Dates: 2007 - 2010

Responsibilities:

- Coordinated the efforts of all professionals participating on the assignment.
- Directed the investigative resources needed on this assignment..

Project 2:

Client: 130 Liberty Street by the Lower Manhattan Development Corporation

Reference:

Gerard K. Frech
Managing Director
Thacher Associates, LLC
330 West 42nd Street, 23rd Floor
New York, NY 10036
Phone: 609-497-6466

Project Description: CohnReznick was retained as fiscal monitors as part of a monitoring agreement between the City of New York and Thacher Associates LLC to oversee the financial and operating compliance on the \$120 million deconstruction of the former Deutsche Bank building at 130 Liberty Street by the Lower Manhattan Development Corporation. This was the latest in a series of ongoing monitoring assignments that have spanned 10 years since Ground zero clean-up began. The total fees for this engagement were approximately \$1.5 million.

Specifically, we:

- Monitored and investigated the operating and financial practices of the General Contractor and its subcontractors, employees, consultants, suppliers, vendors, and others;
- Tested payroll reports, payment requisitions, and all other requests for payment of any kind submitted to the City in connection with the General Contractor's contract to ensure payments are complete, accurate, and truthful; and
- Tested requests for reimbursement of expenses submitted for approval by the General Contractor and its subcontractors, employees, suppliers, vendors and others to protect against fraud and illegal or unscrupulous behaviors.

Proof of our success as fiscal and integrity monitors is evidenced by considering our findings, including the identification of unresolved deductions and overpayments to general contractors and subcontractors in such areas as:

- Identification of excess hours billed
- Double billings
- Invoices not properly documented
- Mark-ups improperly billed
- Improper billing for taxes
- Overbilling of union labor hours
- Overbilling of union fringe benefits
- Overtime overbillings
- Improper documentation of time
- Suspicious bank activity

Role: Audit Partner

Dates: 2005-2010

Responsibilities:

- Coordinated the efforts of all professionals participating on the assignment.
- Directed the investigative resources needed on this assignment.

Kevin Clancy

CohnReznick National Director - Forensic and Litigation, CPA, CFF, CIRA

Education and Certifications:

- J.D., Catholic University of America
- B.S., Accounting, Catholic University of America
- Certified Public Accountant (CPA)
- Certified in Financial Forensics (CFF)
- Certified Insolvency and Reorganization Advisor (CIRA)

Relevant Qualifications:

Mr. Clancy has extensive experience offering support services in the areas of bankruptcy, debt restructuring and investigative and forensic accounting. Mr. Clancy has participated in many high profile cases, including TOUSA, Yellowstone, Ginn/St. Lucie, Chemtura, Fleming Foods, Federal Mogul, Pittsburgh Corning, Wall Street Deli, ICH (Arby's), Enron, and WorldCom.

Previous Experience:

Project 1:

Client: University of Medicine and Dentistry NJ

Type of Work: Deferred Prosecution Agreement ("DPA") between the university and the Department of Justice

Project Description:

- CohnReznick was retained to assist in fulfilling the Deferred Prosecution Agreement ("DPA") between the nation's largest free-standing public health sciences university, and the Department of Justice.

Responsibilities:

- Led the team which performed cost report and system reviews and billing and coding compliance reviews.
- Provided guidance on certain aspects of the procurement process.

Project 2:

Client: WorldCom

Type of Work: Financial advisor to the court-appointed examiner

Project Description:

CohnReznick led the investigation regarding allegations of fraud, dishonesty, and misconduct conducted by management and identified potential causes of action the Company's former independent public accountants. WorldCom was a global telecommunications carrier involved in one of the largest bankruptcies in U.S. history.

Responsibilities:

- Led the forensic team investigating allegations of fraud, dishonesty, incompetence, misconduct, and other irregularities in the management of the affairs of the Debtor entities, including, but not limited to, issues of accounting irregularities.
- Uncovered findings included that (1) the Company fraudulently manipulated its financial statements for four consecutive years, and the breakdown of internal controls permitted the fraud to continue undetected for that long a period of time; (2) major responsibility for the fraud and the resulting injury to the Company rested with the Company's CFO; and, (3) the Company's independent auditors committed professional malpractice.

Thomas J. Marino
CohnReznick Co-Chief Executive Officer, CPA

Education and Certifications:

- B.S., Accounting, Rider University
- Certified Public Accountant (CPA)

Relevant Qualifications:

Mr. Marino, CPA, is a CohnReznick partner and has been serving as Co-Chief Executive Officer of the Firm since J.H. Cohn combined with Reznick Group in 2012 to become CohnReznick. Mr. Marino's areas of accounting and auditing expertise include the real estate and construction industries, private companies, not-for-profit organizations, and publicly traded companies. A frequent speaker on accounting and auditing issues affecting specific industry groups, Mr. Marino has authored and published numerous articles on the technical topics that impact his clients' business.

Mr. Marino assumed the role of J.H. Cohn's Chief Executive Officer in 1998. Prior, he had been named partner-in-charge of J.H. Cohn's Accounting and Auditing practice in 1994. Mr. Marino, who joined the Firm in 1969, previously served as J.H. Cohn's in-house resource for resolving critical accounting and auditing issues. He continues to serve as an instructor for CohnReznick's in-house continuing professional education curriculum for management and staff.

Mr. Marino has been named to *Accounting Today's* list of "Most Influential People in Accounting" numerous times, as well as the publication's "The Prestigious List of 100," which honors accounting professionals committed to progressing the industry and who have a continual influence on its role in business. Mr. Marino was honored by the Anti-Defamation League as the recipient of its 2004 Humanitarian Award, and, in 2010, he was honored by his alma mater, Rider University (Lawrenceville, NJ), with its prestigious Distinguished Alumnus Award for his contributions to his community and his continued dedication to the University.

Anthony Zecca

CohnReznick Managing Partner - CohnReznick Advisory Group, CPA

Education and Certifications:

- B.S., Accounting, Fairleigh Dickinson University
- Certified Public Accountant (CPA)

Relevant Qualifications:

Anthony Zecca, CPA, is the managing partner of Cohn Consulting Group, a division of CohnReznick. Cohn Consulting Group encompasses the Performance Consulting and Corporate Governance Services practices. He has been a partner in the Firm since 1982 and serves on the Management Committee.

Mr. Zecca is an authority on regulatory compliance and risk management, and an expert in the design and evaluation of internal controls.

Previous Experience:

Project 1:

Client: Bernard L. Madoff Investment Securities LLC Liquidation Proceeding

Project Description: CohnReznick was engaged to provide services to Irving Picard in his capacity as the Trustee in the Madoff bankruptcy case, the largest reported Ponzi scheme in U.S. history. As part of the Trustee's team in this historic and internationally publicized case, CohnReznick's principal role was to serve as a customer fund allocation accountant and consultant and assist with the accounting supervision of the payment of liquidation proceeds to the various beneficiaries.

Role: Senior Partner

Dates: December 2010 - July 2011

Responsibilities:

- Developed, implemented, and oversaw the overall engagement strategy.

Project 2:

Client: CA Technologies (formerly CA, Inc. and Computer Associates International, Inc.)

Project Description: CohnReznick was retained to work with CA's internal audit department to complete a comprehensive SOX compliance readiness assessment and a comprehensive internal audit revolving around the testing of internal controls.

Role: Senior Partner

Dates: January 2005 - November 2007

Responsibilities:

- Oversaw all SOX 404 testing of internal control operating effectiveness and overall project management. The scope of the project included the US, UK, Japan, Germany, Holland, Brazil, Australia, France, and Italy.
- Managed 12 test teams (comprising over 75 staff members) across all in-scope locations worldwide.

- Served as liaison between CA management and KPMG, as well as the office of the court-appointed federal monitor

Project 3:

Client: Toys “R” Us

Project Description: CohnReznick has provided Sarbanes-Oxley compliance sustainability support to this U.S.-based retailer with locations throughout the U.S. as well as Japan and southern Europe.

Role: Senior Partner

Dates: May 2006 - Present













Responsibilities:

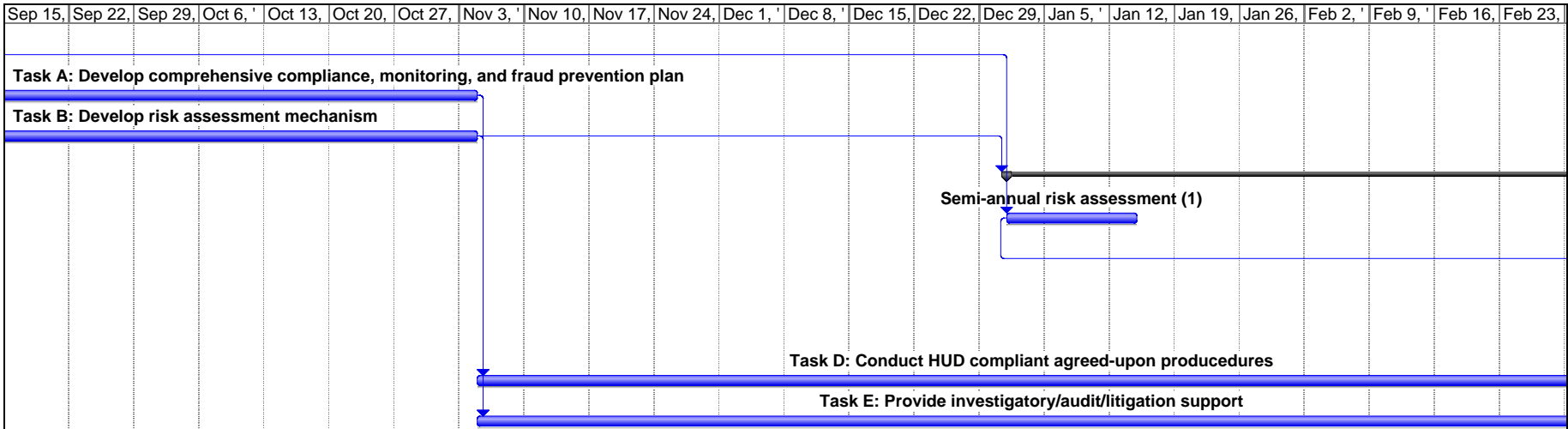
- Oversees the internal control reviews of more than 100 financially-significant processes around the world.

APPENDIX C

Project Gantt Chart

| ID | Task Name | Jun 23, | Jun 30, | Jul 7, '1 | Jul 14, ' | Jul 21, ' | Jul 28, ' | Aug 4, ' | Aug 11, | Aug 18, | Aug 25, | Sep 1, ' | Sep 8, ' | Se |
|----|---|--|---------|-----------|-----------|-----------|-----------|----------|---------|---------|---------|----------|----------|----|
| 1 | Contract Start Date | Contract Start Date | | | | | | | | | | | | |
| 2 | Task A: Develop comprehensive compliance, monitoring, and fraud prevention plan | Task A: Develop comprehensive compliance, monitoring, a | | | | | | | | | | | | |
| 3 | Task B: Develop risk assessment mechanism | Task B: Develop risk assessment mech | | | | | | | | | | | | |
| 4 | Task C: Conduct semi-annual risk assessments | | | | | | | | | | | | | |
| 5 | Semi-annual risk assessment (1) | | | | | | | | | | | | | |
| 6 | Semi-annual risk assessment (2) | | | | | | | | | | | | | |
| 7 | Semi-annual risk assessment (3) | | | | | | | | | | | | | |
| 8 | Semi-annual risk assessment (4) | | | | | | | | | | | | | |
| 9 | Task D: Conduct HUD compliant agreed-upon producedures | | | | | | | | | | | | | |
| 10 | Task E: Provide investigatory/audit/litigation support | | | | | | | | | | | | | |

| | | | | | | | | |
|--|-----------|---|---------------------|---|--------------------|---|------------------|---|
| Project: Contract Schedule_Draft_v.1 Date: Thu 6/6/13 | Task |  | Summary |  | Rolled Up Progress |  | Project Summary |  |
| | Progress |  | Rolled Up Task |  | Split |  | Group By Summary |  |
| | Milestone |  | Rolled Up Milestone |  | External Tasks |  | Deadline |  |



| | | | | | | | | |
|--|-----------|--|---------------------|--|--------------------|--|------------------|--|
| Project: Contract Schedule_Draft_v.1 Date: Thu 6/6/13 | Task | | Summary | | Rolled Up Progress | | Project Summary | |
| | Progress | | Rolled Up Task | | Split | | Group By Summary | |
| | Milestone | | Rolled Up Milestone | | External Tasks | | Deadline | |

Mar 2, ' Mar 9, ' Mar 16, Mar 23, Mar 30, Apr 6, ' Apr 13, Apr 20, Apr 27, May 4, ' May 11, May 18, May 25, Jun 1, ' Jun 8, ' Jun 15, Jun 22, Jun 29, Jul 6, '1 Jul 13, ' Jul 20, ' Jul 27, ' Aug 3, ' Aug 10,

Semi-annual risk assessment (2)

Task D: Conduct HUD compliant agreed-upon procedures

Task E: Provide investigatory/audit/litigation support

| | | | | | | | | |
|--|-----------|--|---------------------|--|--------------------|--|------------------|--|
| Project: Contract Schedule_Draft_v.1 Date: Thu 6/6/13 | Task | | Summary | | Rolled Up Progress | | Project Summary | |
| | Progress | | Rolled Up Task | | Split | | Group By Summary | |
| | Milestone | | Rolled Up Milestone | | External Tasks | | Deadline | |







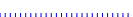





Aug 17, Aug 24, Aug 31, Sep 7, ' Sep 14, Sep 21, Sep 28, Oct 5, ' Oct 12, Oct 19, Oct 26, Nov 2, ' Nov 9, ' Nov 16, Nov 23, Nov 30, Dec 7, ' Dec 14, Dec 21, Dec 28, Jan 4, ' Jan 11, Jan 18, Jan 25,

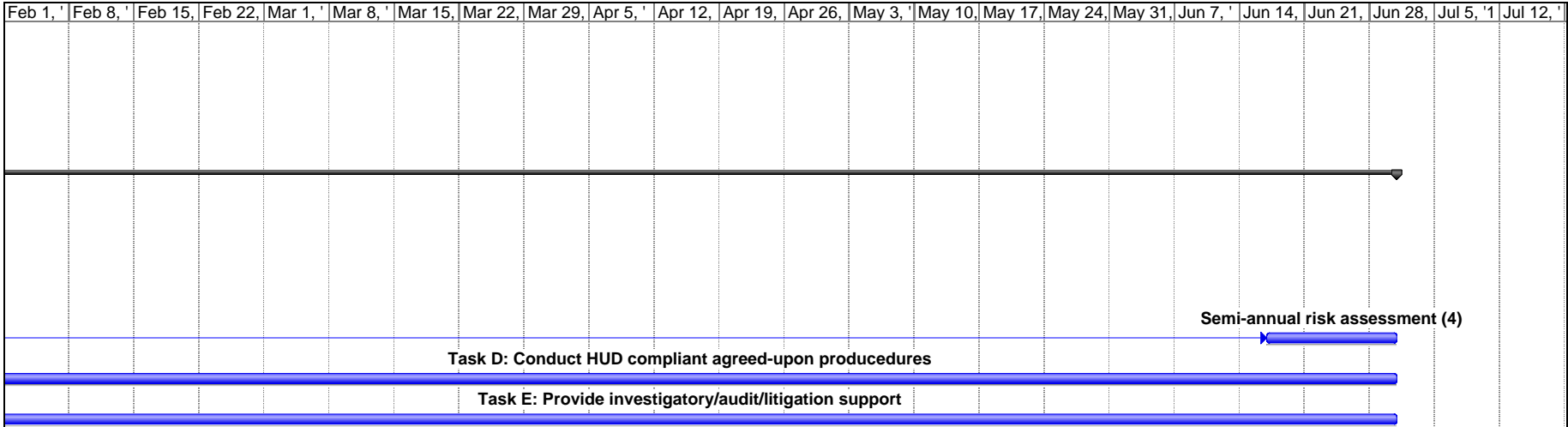
Semi-annual risk assessment (3)

Task D: Conduct HUD compliant agreed-

Task E: Provide investigatory/audit/lit

Project: Contract Schedule_Draft_v.1
Date: Thu 6/6/13

| | | | | | | | |
|-----------|---|---------------------|---|--------------------|---|------------------|---|
| Task |  | Summary |  | Rolled Up Progress |  | Project Summary |  |
| Progress |  | Rolled Up Task |  | Split |  | Group By Summary |  |
| Milestone |  | Rolled Up Milestone |  | External Tasks |  | Deadline |  |



Project: Contract Schedule_Draft_v.1
 Date: Thu 6/6/13

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|-----------|--|---------------------|--|--------------------|--|------------------|--|
| Task | | Summary | | Rolled Up Progress | | Project Summary | |
| Progress | | Rolled Up Task | | Split | | Group By Summary | |
| Milestone | | Rolled Up Milestone | | External Tasks | | Deadline | |