



City of Albany  
Community Development Block Grant

**Subrecipient Manual**  
**CDBG Policies and Procedures**

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# Policies Procedures Manual

## TABLE OF CONTENTS

OVERVIEW: COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM	1
SECTION 1 – CDBG NATIONAL OBJECTIVES	2
SECTION 2 – CDBG ELIGIBLE ACTIVITIES and COSTS	6
SECTION 3 - ENVIRONMENTAL REVIEW	9
SECTION 4 – PURCHASING, PROCUREMENT, and CONTRACTING	10
SECTION 5 - DOCUMENTATION AND RECORDS TO BE MAINTAINED	12
SECTION 6 - SUBRECIPIENT AGREEMENT and FEDERAL REGULATIONS	16
SECTION 7 - SUBRECIPIENT MONITORING	21
APPENDIX A- REGULATORY REFERENCES	24
APPENDIX B - NATIONAL OBJECTIVE CODES	26
APPENDIX C - INCOME DETERMINATION WORKSHEET	30
APPENDIX D - SAMPLE TIME SHEET	31
APPENDIX E - LOW MOD JOB CREATION REPORT	32
APPENDIX F - ENVIRONMENTAL REVIEW CHECKLIST	36
APPENDIX G - SUBRECIPIENT ACTIVITY FILE CHECKLIST	42

## OVERVIEW: THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Welcome to the City of Albany's Community Development Block Grant (CDBG) program. The U.S. Department of Housing and Urban Development (HUD) office of Community Planning and Development (CPD) awards Community Development Block Grants (CDBG) to units of local government for the implementation of a wide variety of housing, community and economic development activities. As a CDBG entitlement jurisdiction, the City receives an annual allocation of funding based upon a five-part formula that factors for population, poverty, and housing conditions. The City's most recent annual allocation was \$375,000, with amounts decreasing in recent years.

Recipients of federal CDBG funds must agree to not only provide specified services, but also to comply with the CDBG program requirements and responsibilities established by the U.S. Department of Housing and Urban Development (HUD), authorized by Title 1 of the Housing and Community Development Act of 1974, as amended (Act). The City has prepared this manual to help current and potential CDBG subrecipients understand the important cross-cutting issues and requirements that apply to the use of federal funds for the delivery of CDBG programs and activities. This manual is not meant to be a substitute for CDBG regulations, but as a supplement to them, The City reserves the right to add, remove or change policies, procedures, or forms in this manual. The requirements of Federal Notices and U.S. Department of Housing and Urban Development (HUD) Regulations related to CDBG may be amended from time to time, and therefore, shall prevail. Please contact staff with questions about the regulations and responsibilities required of subrecipients.

### CDBG REGULATIONS

The basic program regulations governing management and administrative systems for the CDBG program are in [24 CFR Part 570, Subpart J](#). Other important CDBG program requirements such as civil rights laws, National Environmental Policy Act, Anti-displacement and Relocation Assistance Act, Americans with Disabilities Act, Davis-Bacon Act, etc. are in [24 CFR 570 Subpart K](#). Subrecipients shall also comply with 2 CFR 200, Uniform Administrative Requirements, cost Principles and Audit Requirements for Federal Awards. This manual provides the highlights of the most common federal regulations that apply to most CDBG-funded applications. For more information on CDBG programs and HUD regulations, please visit [www.hud.gov/cdbg](http://www.hud.gov/cdbg) and [www.hudexchange.info](http://www.hudexchange.info) and search for resources, trainings and toolkits.

### CDBG PROGRAM MANAGEMENT

The City of Albany Community Development Department administers the City's CDBG programs and is responsible for ensuring that the activities of the CDBG Program are conducted in compliance with the Act and federal implementing regulations. HUD is responsible for monitoring participating jurisdictions to ensure compliance with CDBG program requirements.

The City is required to complete an array of plans and reports for the use of CDBG funds. Program management includes development of the five-year Consolidated Plan, the annual Action Plan, Consolidated Annual Performance Evaluation Report (CAPER), compliance with the Citizen Participation Plan, Analysis of Impediments to Fair Housing, creating environmental review records, monitoring, and other required reporting per 24 CFR. CDBG Plans and reports are online: [www.cityofalbany.net/cdbg](http://www.cityofalbany.net/cdbg).

In order to achieve the national objectives, the City awards money through a competitive process to subrecipients. The **subrecipient** is a public or private nonprofit agency, authority, or organization, which receives CDBG funds from the City to undertake eligible activities.

## SECTION 1: CDBG NATIONAL OBJECTIVES

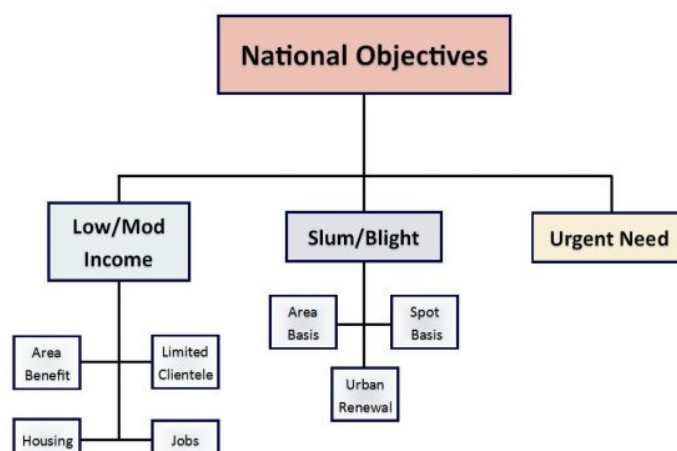
The primary objective of the CDBG program is the development of viable urban communities through the provision of decent housing, a suitable living environment and expanded economic opportunities principally for persons of low-moderate income, defined as a person residing in a household with income at or below 80% of area median income. This is achieved by providing the following, principally for persons of low and moderate income.

- Decent housing
- A suitable living environment
- Expanded economic opportunities

### NATIONAL OBJECTIVES

To be eligible for CDBG funding each activity must meet one of HUD's three National Objectives. The National objectives are:

- **National Objective #1** - Benefit low and moderate-income individuals.
- **National Objective #2** - Aid in the prevention or elimination of slum and blight.
- **National Objective #3** - Meeting other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available. (Unlikely in Albany.)



### National Objective #1 – Benefit to Low and Moderate Income (LMI) People

The benefit to low and moderate-income individual (also known as Low/Mod or LMI) is referred to as the “primary” National Objective because Federal regulations require that 70% of CDBG funds meet this National Objective. The definition of a low or moderate-income person or household is having an income equal to or less than the Section 8 lower income limits established by HUD. The current HUD income limits for City of Albany are listed below. Income limits change every year and usually come out in the Spring of each year. Make sure you are using current income limits when you are verifying household income and national objective compliance. CDBG staff will email updated Client Certification Forms to you annually and posts them to the website: [www.cityofalbany.net/cdbg](http://www.cityofalbany.net/cdbg).

June 1, 2021 CDBG Income Limits Albany Oregon MSA								
Household Size	1	2	3	4	5	6	7	8
Extremely Low- Income 30%	13,650	15,600	17,550	19,450	21,050	22,600	24,150	25,700
Low Income 50%	22,700	25,950	29,200	32,400	35,000	37,600	40,200	42,800
Moderate Income 80%	36,300	41,500	46,700	51,850	56,000	60,150	64,300	68,450

The Low-Moderate Income National Objective contains four subcategories:

- A. Limited Clientele (LMC)
- B. Low-Mod Housing (LMH)
- C. Low-Mod Job Creation and Retention (LMJ)
- D. Low-Mod Area (LMA)

Most CDBG-funded activities benefit low and moderate-income (LMI) persons either as direct beneficiaries of a service or program, or as a resident in a low- or moderate-income area or creates or retains low/mod jobs (LMJ). Public service activities are usually categorized under the LMI Benefit National Objective as either Low-Mod Area Benefit (LMA) or Limited Clientele (LMC). The distinguishing factor is, will services be offered to ***all*** residents of a particular area or to a particular group of residents.

A. **Limited Clientele (LMC)**: The project benefits a specific group of people at least 51% of whom are LMI income persons; To qualify under the LMC, a client must meet one of the following tests:

1. **LMC Based on Presumed Benefit** - Activities that primarily serve clients who are generally PRESUMED by HUD to be principally LMI persons: the elderly (persons 62 and older), abused children, battered spouses, homeless persons, severely disabled persons, persons living with AIDS, migrant farm workers, and illiterate persons (example: homeless shelter)  
*Severely disabled persons include* those that: use of a wheelchair or another special aid for 6 months or longer; are unable to perform one or more functional activities: seeing, hearing, having one's speech understood, lifting and carrying, walking up a flight of stairs and walking; are prevented from working at a job or doing housework; have autism, cerebral palsy, Alzheimer's disease, senility, dementia, or mental retardation; or are under 65 years of age and covered by Medicare or receive SSI

Documentation for presumed benefit clients: Subrecipients must collect and retain documentation such as:

- o Abused children – Referral documenting “abused child status”.
- o Seniors – Copy of ID, Driver's License, or Social Security Award Letter.
- o Disabled – Receipt of disability check or SSDI award letter, or a doctor's note verifying disability.

2. **LMC Based on Household Size and Income Eligibility** – if the facility/program does not exclusively presumed benefit clientele, then the agency must require information on household size and income from every client 18 and over in a household to document that at least 51 percent of the clientele are persons whose household income does not exceed the low- and moderate-income limit (80% AML) using the most recently released HUD income limits for Albany.

Documentation examples include paystubs, social security, unemployment, alimony, interest statements, etc. See SECTION 5 Reporting Requirements for details.

B. **Low-Mod Housing (LMH)**: The housing category of LMI benefit National Objective qualifies activities that are undertaken for the purpose of providing or improving permanent residential structures which, upon completion will be occupied by LMI households. In order to meet the LMH National Objective, structures with one unit must be occupied by a LMI household. If the structure has two units, half the households must be LMI. Structure with three or more units must have at least 51% occupied by LMI households and documentation must be maintained to meet the definition of LMI.

Documentation: For each activity carried out for the purpose of rehabilitating or constructing housing that is determined to benefit low- and moderate-income households, each household must provide income documentation according to the guidelines in SECTION 5 of this manual.

**Low-Mod Jobs (LMJ)**: Low-Moderate Job Creation and Retention activities must create or retain jobs that will principally be available to LMI persons. Documentation must be maintained that demonstrates the minimum number of jobs were created or maintained based on the size of CDBG investment and that 51% of those jobs are taken by or made available to LMI persons. Examples include loans or grants to businesses providing

job training opportunities for LMI persons. Advertising and recruiting efforts directed to areas where substantial number of low and moderate-income persons reside. the project creates or retains **permanent** jobs, at least 51% of which are taken by L/M income persons or considered to be available to L/M income persons. Examples: loans to pay for the expansion of a factory, that will create new jobs, a majority of which are held by L/M persons.

LMJ Documentation: See Appendix F.

- C. **Low/Moderate (L/M) Area Benefit (LMA):** the project meets the identified needs of LMI persons residing in area where at least 51% of those residents are LMI persons. The benefits of this type of activity are available to all persons in the area regardless of income. The City uses Census tract and/or block level data to determine LM areas. Areas must be primarily residential to be eligible. Examples: street improvements, water/sewer lines, neighborhood facilities, façade improvements in neighborhood commercial districts.

LMA Documentation: Low-Mod Area Benefit activities must be available to ***all*** residents of an area where at least 51% of residents are LMI. Community Facilities qualifying under this national objective must also provide written documentation such as a policy or other document demonstrating the use of the facility will generally be restricted to the residents within the defined service area. The area must be clearly defined and primarily residential. Required documentation of this objective consist of:

- Maintain records of the boundaries of the service area;
- Document that the area is primarily residential (e.g. zoning map); and
- Document the income characteristics of households in the service area (e.g. Census Data, or income survey)

### **National Objective #2 – Prevention or Elimination of Slums or Blight**

This category covers activities that aid in the prevention or elimination of slums or blight in a designated areas. Examples include:

- Rehabilitation of substandard housing located in a designated blight area when the housing is brought to standard condition;
- Infrastructure improvements in a deteriorated area; and
- Economic development assistance in the form of a low-interest loan to a business as an inducement to locate a branch store in a redeveloping blighted area.

Projects may qualify if benefiting an area defined under state or local law as a slum or blighted area, and which contains a substandard number of deteriorating or dilapidated building or infrastructure. To meet eligibility requirements, the activity must be designed to address one or more of the conditions which qualified the area as slum and blighted. Residential rehabilitation qualifies if the property is considered substandard per local definition.

### **National Objective #3 – Urgent Need**

Albany is rarely impacted by natural disasters, so this National Objective is generally not applicable.

### **HUD OBJECTIVES AND OUTCOMES**

All eligible activities must also be associated with HUD's performance measurement framework which includes three objectives and three outcomes.

The three **objectives** include:

- **Decent Housing:** The activities that typically would be found under this objective are designed to cover the wide range of housing possible under HOME, CDBG, HOPWA or ESG. This objective focuses on housing programs where the purpose of the program is to meet individual family or community needs and not programs where housing is an element of a larger effort, since such programs would be more appropriately reported under Suitable Living Environment.

- [Suitable Living Environment](#): In general, this objective relates to activities that are designed to benefit communities, families, or individuals by addressing issues in their living environment.
- [Creating Economic Opportunities](#): This objective applies to the types of activities related to economic development, commercial revitalization, or job creation.

The three **outcome categories** include:

- [Availability/Accessibility](#): This outcome category applies to activities that make services, infrastructure, public services, public facilities, housing, or shelter available or accessible to low- and moderate-income people, including persons with disabilities. In this category, accessibility does not refer only to physical barriers, but also to making the affordable basics of daily living available and accessible to low and moderate- income people where they live.
- [Affordability](#): This outcome category applies to activities that provide affordability in a variety of ways in the lives of low- and moderate-income people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such as transportation or day care.
- [Sustainability](#): This outcome promotes livable or viable communities through activities that improve communities or neighborhoods, helping to make them livable or viable by providing benefit to LMI people or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

## SECTION 2: CDBG ELIGIBLE ACTIVITIES AND COSTS

### ELIGIBLE ACTIVITIES

The project or program must be listed as an “eligible” activity in the CDBG statute found at 24 CFR 570. The following is a list of approved activities for which CDBG Funding can be used. This list is not exhaustive and may not cover all eligible activities.

1. Acquisition of real property including costs of surveys, appraisals, preparation of legal documents, recordation fees, and other costs necessary to effect the acquisition.
2. Disposition of real property (through sale, lease, donation, or otherwise) acquired with CDBG funds.
3. Code enforcement. The payment of salaries and overhead costs directly related to the enforcement of state and/or local codes in deteriorating or deteriorated areas where such enforcement, along with other services, may be expected to arrest the decline of the area.
4. Public improvements or facilities. Acquisition, construction, reconstruction, rehabilitation, or installation of public improvement or facilities such as homeless shelters, nursing homes, neighborhood facilities, streets, sidewalks, curbs, gutters, parks, playgrounds, water and sewer lines, flood and drainage improvements, parking lots, utility lines, etc.
5. Clearance, demolition, and removal of buildings and improvements, including movement of structures to other sites.
6. Rehabilitation of private residences, public housing, and commercial buildings. Types of assistance include the following: acquisition of properties; labor, materials, and other costs of rehabilitation of properties; energy efficiency; water efficiency; sewer and/or water line connections; lead-based paint testing and abatement; tools to be lent to those doing rehabilitation work; accessibility renovations; historic preservation; etc.
7. Privately-owned utilities. Acquire, construct, reconstruct, rehabilitate, or install the distribution lines and related facilities for privately-owned activities.
8. Homeownership assistance (financial assistance to low- and moderate-income persons to assist them in the purchase of a home) including second mortgage assistance, mortgage insurance premium, closing costs, and down payment assistance.
9. Interim assistance to arrest severe deterioration or alleviate emergencies.

#### Economic Development:

10. Microenterprise assistance such as financial support, technical assistance, and related services.
11. Economic development assistance activities that produce certain public benefits (jobs or retail services) through acquisition, construction, rehabilitation, or installation of commercial or industrial buildings, equipment, or other improvements.
12. Other activities including financial and technical assistance as well as related services.

#### Planning and Administration (Only available to Community Based Development Organizations, CDBOs and City administration):

13. Plans; studies; and policy-planning, management, and capacity building activities.
14. Grants or loans to CDBOs to carry out the following types of projects: neighborhood revitalization, community economic development, and energy conservation.

#### Other Types of Activities:

15. Payment of non-Federal share of grants in connection with CDBG activities
16. Relocation payments and other assistance for permanently and temporarily relocated individuals, families, businesses, and nonprofit organizations, where appropriate.
17. Technical assistance to public or non-profit entities for capacity building.



18. Assistance to institutions of higher education with the capacity to carry out other eligible activities.

**Public Services Activities:** Are capped at 15% of the annual award, so these grants are competitive!

19. Eligible activities include but are not limited to: job training and employment services; health services, substance abuse services; childcare; child prevention; education programs, energy conservation, senior citizen services, down-payment assistance, recreational services, youth enrichment services, juvenile delinquency, and fair housing counseling.

#### INELIGIBLE ACTIVITIES

The following activities are specifically identified by HUD as activities that are not eligible for CDBG funding. See 24 CFR 570.207 for a full list of activities not eligible for CDBG funds.

1. Political or religious activities.
2. Lobbying activities
3. Acquisition, construction, reconstruction, or use of buildings or portions thereof used for the general conduct of government.
4. General government expenses.
5. Stadiums, sports arenas, auditoriums, museums, schools, public transportation stations, schools, hospitals or other medical facilities
6. Purchases are generally ineligible except under specific conditions.
7. Purchase of equipment, furnishings, or fixtures, motor vehicles, and other personal property.
8. Direct income payments beyond more than three consecutive months to individuals for items such as food, clothing, and rent. (When less than 3 months, payments must be made to providers.)
9. Operating and maintenance expenses unless associated with providing a public service
10. Construction of new housing, unless as a special activity by a qualified Community Based Development Organization per 24 CFR 570.504(a).
11. Treatment works for liquid industrial wastes or sewage,

#### ELIGIBLE COSTS

Examples of eligible costs but not limited to:

- Personnel/staff (salary and benefits)
- Overhead
- Indirect Costs
- Office/facility rental or lease costs
- Materials or supplies (e.g. file folders and/or file cabinets used for filing records for CDBG clients.)
- Communications
- Travel/mileage

#### INELIGIBLE COSTS

Examples of ineligible costs but not limited to:

- Programs that do not serve primarily low-moderate income persons
- Programs that promote religion
- Political activities
- Marketing, incentives, or fundraising
- Payment of debt or expenses incurred prior to agreement
- Entertainment, furnishings, or personal property

- Generally, equipment, unless necessary to implement an eligible activity

Equipment vs. Supplies: Equipment is defined as tangible property costing more than \$500 and having a useful life of more than one year. The purchase of equipment is generally ineligible. Items which cost less than \$500 and which have a useful life of less than one year are considered to be supplies. All purchases of equipment require City pre-approval. The request should include the cost of the item, where it will be purchased, a detailed explanation of why it should be bought rather than leased or rented, and where the funds for the purchases will come from. If City CDBG funds will be paying only a portion, list all other funding sources and the respective amounts.

## SECTION 3: ENVIRONMENTAL REVIEW

Environmental review is required for all CDBG-funded projects per 24 CFR Part 58. Under HUD’s environmental review (ER) regulations the City is responsible for environmental review, decision making, and other actions that apply under the National Environmental Policy Act (NEPA) of 1969 and other related provisions of law. The primary objective of the ER specific environmental factors that may be encountered at potential project sites and to develop procedures to ensure compliance with regulations pertaining to these factors.

The HUD environmental review process must be completed before CDBG agreements are signed, and before the purchase of any land or buildings, or start of any work on a proposed project, even with non-HUD funds. **Specifically, no party involved with the project may commit funds to the project**, including incurring project costs, **until the City completes the appropriate environmental review and public notification process**, and if applicable, HUD approves a certification of compliance with environmental laws and request for release of funds from environmental conditions. These requirements are known as “choice-limiting decisions”. There are different levels of review depending on the complexity and impact a project may have on the environment as shown in the table below.

Level of Environmental Review	Example Activities
A. Exempt (24 CFR Part 58.34)	Administration, many public services, technical assistance, engineering or design costs, equipment purchases, technical assistance
B. Categorically Excluded NOT Subject to the §58.5 Statutes	Supportive services (housing, rent and utility assistance, counseling, etc.), homebuyer assistance, predevelopment costs, operating costs including maintenance, staff training, economic development activities excluding construction and rehab,
C. Categorically Excluded <u>Subject to Part 58.5</u> (may or may not require mitigation)	Acquisition, repair, improvement, reconstruction, or rehab of public facilities and improvements to existing infrastructure/facilities when retained for same use and no change in size/ capacity of more than 20%; Rehab of residential buildings <= 4 units when no increased density, no building in floodplain or wetland, and no change of use
D. Environmental Assessment (24 CFR Part 58.36)	New construction, acquisition of vacant land, converting a property to a new use, and activities not categorically excluded or exempt
E. Environmental Impact Statement (24 CFR Part 58.37)	Projects having a regional and/or long/term impact or that will pose potentially significant impacts on resources (e.g. a power plant or landfill)

Applicants proposing projects that are Subject to the 58.5 statutes in C - E above must complete the **Environmental Review Checklist** in APPENDIX E to assess the ability of a project to “pass” the environmental review and determine what information will need to be collected for the ER record (ERR). Larger more complex projects will typically require an Environmental Assessment, which may require professionals/experts to complete certain aspects of the analysis at the applicant’s expense. If the City determine the project will have no significant impact, an ad is published inviting the public to comment directly to HUD on the content of and methodology used to create the ERR for the project. Following the comment period, any comments are considered by HUD in conjunction with the City’s request that the record be approved, which is accomplished through a “Request for Release of Funds and Certification.” A full Environmental Assessment may take from two to six months depending on project and site complexity and may reduce the amount of your award.

It is critical that ERs be conducted in a timely and accurate manner so that projects may move forward and receive positive consideration for CDBG funding.

## SECTION 4: PURCHASING, PROCUREMENT, AND CONTRACTING STANDARDS

City Policy: It is City of Albany policy to encourage and foster competition in the award of contracts/subcontracts and purchases to be funded with federal CDBG resources.

The procurement of goods and services by CDBG Subrecipients must follow the standards and procedures outlined in 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. These standards are in place to ensure tax-funded projects are managed responsibly and effectively, prices for goods and services are reasonable, competitive, and well documented to demonstrate the decision-making process and compliance with applicable federal and local laws. Subrecipients of CDBG funds will use their own procurement procedures, provided that the procurements conform to applicable Federal law and the standards identified in 2 CFR 200, with a few exceptions noted below.

- Section 200.306 – “cost sharing and matching” does not apply.
- Section 200.307 “program income” does not apply. Program income is government by 24 CFR 570.504.
- Section 200.308 – “revisions of budget and program plans” does not apply.
- Section 200.311 “real property” does not apply, except as provided in 24 CFR 570.200(1). Real property is government by 24 CFR 570.505.

General summary of the procurement standards:

1. All procurement transactions will be conducted in a manner providing full and open competition.
2. Subrecipients will have written policies and procedures for procurement transactions. These procedures shall ensure that all solicitations:
  - o Incorporate a clear and accurate description of the technical requirements for the material or service to be provided; and
  - o Identify all requirements that the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

- A. Purchases. Most purchases and services are generally ineligible expenses, however, purchases necessary to provide a public service or for single-family housing rehabilitation, for example, are eligible and must be documented in your grant application and agreement. The activity file must include copies of invoices, receipts, and checks or charge slips for all items or services purchased and charged to the grant.

When procuring goods and services, efforts must be taken to assure that small, Minority, Women, Disabled Persons, Veteran-Owned Businesses are used when possible.

1. *For purchases less than \$3,000*, only one quote is required. The sales slip from the store where you bought the item will suffice. Of course, you are not precluded from obtaining several quotes to obtain the best price, even for low-cost items.
2. *For purchase of items costing between \$3,000 and \$25,000*, obtain three written quotes, to be kept in the project file. If unable to obtain three quotes, a list of the vendors contacted should be placed in the file, noting those vendors who did submit quotes. If there is only one vendor who provides the item to be purchased, this should be noted in the file with an explanation of what you did to determine there was only one vendor available.
3. *For purchase of items or services over \$25,000*, consult with CDBG staff to determine eligibility.

- B. Real Property Acquisition. Please refer to the **Capital Project Manual** for requirements related to real property acquisition and compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URARAP) and Section 104(d) of the Housing and Community Development Act, in particular in regards to the timing of the environmental review and purchase. In general, no purchase can be made before an environmental review is completed, and displacement of existing residents or tenants is likely to require relocation assistance. Applicants can enter into a conditional purchase option that does not commit them to purchase the property until the environmental review and other conditions of CDBG funding have been satisfied.

- C. Conflict of Interest. Subrecipients will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer, or agent of the subrecipient shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real, or apparent, would be involved. Such a conflict would arise when (1) the employee, officer, or agent; (2) any member of his/her immediate family; (3) his/her partner; or (3) an organization which employs, or is about to employ, any of the above has a financial or other interest in the firm selected for award. (2 CFR 200 Subpart D)
- D. MBE/WBE Reporting. The subrecipient and any subcontractors will take all necessary affirmative steps to assure that small, minority-owned, women-owned, and veteran-owned firms are used when possible; and to the greatest extent feasible, will award contracts for work to be performed under the programs to eligible businesses located in Albany/Linn and Benton Counties, and to those that employ low- and moderate-income persons. Each subcontractor must complete the **MBE/WBE and Section 3 Form** and submit it to the subrecipient for submittal to the city. Please consult the **Capital Projects Manual**.
- E. Using Contractors. Most contractors provide normal goods and services and are considered contractors by HUD. Please Refer to the **Capital Projects Manual** for requirements that must be satisfied before you hire a contractor, including specific contract language required in contracts and subcontracts. In summary,
1. If CDBG funds are used to finance a portion of a construction/rehabilitation type activity or project of \$2,000 or more (excluding rehabilitation of 1 to 4 residences), the entire activity/project is subject the Davis Bacon and Related Acts (DBRA) prevailing wages, federal labor and employment standards, and environmental review standards. Carefully review the Davis Bacon compliance section in the **Capital Project Manual and standards**. DBRA does not apply to soft costs such as acquisition of land, purchase of equipment, architectural and engineering fees, other services (such as legal, accounting, construction management, etc.), and project financing.
  2. Construction related contracts greater than \$2,000 must include the list of HUD contract provisions provided by the City in the **Capital Projects Manual**.
  3. Subrecipients will maintain an administration system that ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
  4. Subrecipients will ensure that all prequalified lists of persons, firms, or products that are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition.
  5. Subrecipients will make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources and are ***not listed as debarred, suspended, or otherwise ineligible for work*** on SAM.GOV and Oregon BOLI list of ineligible contractors.
  6. The project contractor(s) are required to adhere to all applicable building codes, and either the owner or the contractor(s) shall obtain all required building permits. Where permits are required, documentation that all work has passed final inspections must be verified prior to final payment to the contractor(s).
- F. Housing Rehab Projects funded with City CDBG assistance must meet HUD Housing Quality Standards (24 CFR 982.401) upon completion of the assisted project. Examples of such repairs that would need to be addressed include inadequate plumbing, heating, or electrical systems or failing structural components. An initial HQS inspection is recommended to determine deficiencies that will need to be included in the scope of work. At a minimum, the scope of work must correct any HQS deficiencies upon project completion. From a City perspective, HQS standards require that housing be free of lead-based paint hazards.

## SECTION 5: DOCUMENTATION AND RECORDS TO BE MAINTAINED

Documentation is critical when using federal funds. Proper documentation and record keeping systems are essential to prove compliance with the program scope of the contract. HUD will monitor the City's progress in complying with federal regulations and meeting national objectives of the CDBG program. The City is responsible for ensuring that all subrecipients are in compliance with the CDBG program requirements. If expenditures made with federal funds are not adequately documented or you do not sufficiently document how a CDBG national objective is met, you may be required to refund to the City an amount of money equal to all undocumented expenditures. [See 24 CFR 570.506 for CDBG program records requirements.](#) The following guidelines are provided to help you keep good records and staff will provide you with a **file checklist**.

A. FINANCIAL AND ADMINISTRATIVE RECORDS. The first area of record keeping relates to grant management and financial management and involves the tracking of grant-related expenditures and revenues. In addition to all contract and insurance documents, subrecipients need to keep original copies of all documentation for eligible expenditures, including personnel records and purchasing. [See Section 4 for details.](#) Agencies should maintain a CDBG grant file with the following information:

- Application for funding
- Notice of funding award from the City of Albany
- Executed Grant Agreement (Subrecipient Agreement) and any Amendments (if applicable)
- Correspondence with the City of Albany
- Current audit or unaudited financial statements if audit not applicable
- Copies of Requests for Reimbursement and documentation of expenditures and methods of procurement
- Site inspection Reports (if applicable)
- Beneficiary records and documentation related to national objective compliance and program outcomes
- Documentation of Program Income (See B. Below)
- Bids and/or requests for proposals, subrecipient contracts and documentation

Personnel Timesheet Records: Time records should be kept indicating hours worked, sick, vacation, holiday etc. Timesheets should be recorded each day and signed by both employee and supervisor. Time sheets showing labor distribution and time project log, which documents time spent on the program must be kept for all grant funded employees. Copies of timesheets must be submitted with reimbursement request if claiming personnel costs.

B. PROGRAM INCOME. Program income is defined as any funds accruing to a subrecipient as a result of using CDBG resources as defined under [24 CFR 570.000\(a\)](#). Examples include rental fees from the use of a community facility, sale proceeds from purchased equipment or property, and fees charged for services funded by program resources. Subrecipients are required to keep records of the sources of program income in addition to reporting unanticipated program income separately from grant funds on a quarterly basis. Program income may be used to support the operation of a CDBG- assisted activity, however, this must be preapproved through the City. Program income not used to continue or benefit the original CDBG activity shall be returned to the program. The receipt and use of all program income must be documented and reported annually to the City.

C. AUDITS. When a subrecipient spends \$750,000 or more in federal funds in a calendar year, Subrecipients must provide the City with a copy of their most recent independent financial audit including responses to findings or have one prepared that meets general accepted auditing standards (American Institute of Certified Public Accountant) and 2 CFR 200.501.

D. BENEFICIARY RECORDS AND CLIENT CERTIFICATION FORM. Most subrecipients will meet a HUD National Objective by primarily serving low- and moderate-income residents whose income is less than 80% of Area

Median Income, adjusted by household size. Therefore, each subrecipient is required to count the number of clients they serve each quarter, as well as verify income eligibility and record race, ethnicity, and a few other details. The City provides a Client Certification Form for subrecipients to have their clients complete to collect the data the City is required to report to HUD and to help ensure National Objective compliance. The client should be made to understand that when they sign the Client Certification Form they are signing a legal document, and are certifying the truth of the information in the entire document.

The City recommends the following record-keeping for beneficiaries:

- File for each person or family receiving assistance
  - Documentation of eligibility (income verification, etc.)
  - Documentation of assistance provided
1. **Counting Beneficiaries:** The first thing a subrecipient will need to track is the number of **people** (or households for agencies providing housing assistance) who benefit from your activity each quarter. The City will ask you to report in aggregate on only those beneficiaries who are NEW to the activity during a quarter. New beneficiaries are defined as those who are using a service for the first time in the City's fiscal year. This system meets HUD's requirements that grantees maintain an unduplicated count of the beneficiaries of federally funded activities. Your clients must complete the **MOST CURRENT Client Certification Form** to track beneficiary information and verify income qualification. (Keep the certification form in your files.)
  2. **Beneficiary Income Qualification:** All individuals directly benefitting from or receiving CDBG-funded services must be in a clientele group presumed to be low-income or provide proof of income. It is the responsibility of the subrecipient to obtain and maintain income documentation for each client served and to make this documentation available upon request to the City or to (HUD) prior to providing services paid with CDBG funds. **Sufficiently detailed documentation must be obtained to verify the income of resident or household benefiting from CDBG funded activity unless the client is a *presumed benefit clientele* as described below.**
    - a. **Presumed Benefit Clientele.** If the CDBG-funded activity exclusively serves residents that are in Presumed Benefit group as described in SECTION 1 the agency does not need to verify income because HUD presumes people in these situations to be low-income (homeless persons, abused children, elderly (62 and older), battered spouses, migrant farm workers, persons living with AIDS, illiterate persons, and severely disabled persons). ***Severely disabled persons*** are those who have used a wheelchair or another special aid for 6 months or longer, are unable to perform one or more functional activities or need assistance with an activity of daily living (ADL) or an instrumental activity of daily living (IADL), or are prevented from working at a job or doing housework; or have a selected condition including autism, cerebral palsy, Alzheimer's disease, senility, or dementia, or have an intellectual or developmental disability; or are under 65 years of age and are covered by Medicare or receive SSI.

**Functional activities include:**  
seeing, hearing, having one's speech understood, lifting and carrying, walking up a flight of stairs, and walking.

**ADL's include:** getting around inside the home, getting in and out of bed or a chair, bathing, dressing, eating, and toileting; going outside the home, keeping track of money or bills, preparing meals, doing light housework, and using the telephone.
    - b. **Limited Clientele Based on Family Size and Income.** Unless your clients are presumed by HUD to be low-income as described above, client income must be verified every 12 months per the guidelines below. Unless *presumed* by HUD to be low-moderate income, actual verification of the household income must be provided. If a client has no proof of income a penalty of perjury statement can be completed. The client should be made to understand that they are signing a legal document (**Client Certification Form**), and that they certifying the truth of the information provided.
      - Requires family size and income from every 18 and over client verifying clientele are persons whose family income does not exceed the LMI limit.

- Requires gross amount, before any payroll deductions when calculating income.
  - Income source must be current (*within 90 days*).
- i. For clients that are on TANF, SNAP, Medicare or receive SSI, get a copy of the card(s) or applicable source of income verification for all persons 18 and older residing in the household. Make sure to check the dates on all cards and find out when they were last eligible for these programs.
  - ii. If a client is not presumed benefit and not covered by any of the programs in “i” above, you will need to ask the client to provide the necessary documentation to verify income. We recommend you ask clients to complete and sign the **Income Determination Worksheet** provided in Appendix C and to provide a copy of their 3 most recent paystubs, unemployment compensation statements, interest and investment statements, social security statements, and all applicable sources of income described below.

**Annual Income Includes:**

- Wages, salaries, overtime pay, commissions, fees, tips and bonuses
- Unemployment payments
- Disability compensation
- Worker’s compensation
- Severance pay
- Alimony and child support payments
- Net income from the operation of a business or profession
- Temporary Assistance for Needy Families (TANF)
- Social Security and Social Security Income

**Annual Income Does Not Include:**

- Income from employment of children, including foster children, under 18
- Payment received for care of foster children or foster adults
- Lump-sum additions to family assets
- Income of a live-in aide
- Food stamps or Women, Infants, and Children (WIC)
- Student Financial Aid
- Sporadic Income/Gifts

**Income Documentation**

Examples of source documentation for Limited Clientele (LMC):

- Employment check stubs
- Social Security Income/Social Security Disability Income award letter
- Child support documentation
- TANF benefits letter
- Unemployment benefits letter
- Veterans Administration award letter

Client Files Must Contain the Following:

Any information regarding clients funded via federal funds should be held in strict confidence. To capture the required information, Subrecipients should complete the Client Certification Form for *each* client receiving assistance with CDBG funds.

- An application for assistance (if applicable)
- Documentation of eligibility
  - Documentation client is *presumed* by HUD to be LMI, e.g. homeless, elderly; or
  - Records describing how the nature and location of the activity establishes that it is used predominantly by LMI individuals (e.g. census data tract and map); or
  - Documentation of household size and annual income.
- Client Self Certification Form



- Self-Certification of Annual Income by Beneficiary
- Documentation of services provided such as case notes
- Documentation of all expenses occurred
- Pre and post program evaluations (if applicable)

- b. Gathering Race and Ethnicity Data: HUD requires race and ethnicity information for each beneficiary (individual or head of household). This information is included on the **Client Certification Form**. There are eight **race categories/combinations** for which the federal government collects data and are not intended to represent all categories of race. Races are described in the table that follows. A person may be any one of these races alone, or may be any combination of two or more, or may be Other. HUD advises that it is most desirable to have beneficiaries identify their own race and ethnicity, and that all efforts should be made to provide a process that allows for this opportunity. However, if it happens that a beneficiary is unwilling or unable to provide the information, HUD directs that observation by the service provider should be used to determine race and ethnicity. **NOTE: HUD does not consider Hispanic or Latino to be a race; residents whose ancestors are from South America or Central America, are "American Indian or Alaska Native."**

**Ethnicity** - Unlike race, where a person may fall into more than one category, for HUD's reporting purposes, a person is either of Hispanic or Latino ethnicity, or they are not of Hispanic or Latino ethnicity. Thus, in the reporting form only one of the two optional boxes may be checked.

Race	Description
American Indian or Alaska Native	A person having origins in any of the original peoples of North and South America (including Central America), and who maintains affiliation or community attachment.
Black or African American	A person having origins in any of the black racial groups of Africa. Terms such as "Haitian" or "Negro" can be used in addition to "Black or African American."
American Indian or Alaska Native <i>and</i> Black or African American	
Asian	A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand and Vietnam.
Asian <i>and</i> White	
Native Hawaiian or Other Pacific Islander	A person having origins in any of the original people of Hawaii, Guam, Samoa or other Pacific Islands.
White	A person having origins in any of the original peoples of Europe, the Middle East, or North Africa.
Black or African American <i>and</i> White	
Other multiple race combinations greater than one percent: _____	

#### Restrictions for Certain Resident Aliens

As stated in [24 CFR 570.613](#), certain newly legalized aliens, as described in 24 CFR part 49, are not eligible to apply for benefits under covered activities funded by the programs listed. Please read these regulations.

- E. RECORD RETENTION. Unless the City notifies an agency otherwise, **all files and records described below must be retained for not less than five years** from project closeout or the time period specified in the Subrecipient Agreement and must be made available for review and inspection by the City and/or HUD upon reasonable notice.

## SECTION 6: SUBRECIPIENT AGREEMENT AND FEDERAL PROGRAM REQUIREMENTS

City Policy: City staff will prepare written agreements using contract templates prepared by the procurement division and approved by the City Attorney for each CDBG-funded activity to disseminate all applicable federal, state, and local requirements to subrecipients and city departments implementing CDBG-funded activities.

### PRIOR TO CONTRACT EXECUTION

Funding Awards Letters (emails) notifying agencies of the City Council's and HUD's approval of awards via adoption of the Annual Action Plan are typically mailed in May. Activities that will be funded in the coming fiscal year will not begin before July 1, but during the time between notification of award and the beginning of the fiscal year (July 1) there are requirements to complete in preparation for the coming grant period and execution of the **Subrecipient Agreement**, hopefully around July 1.

Prior to contract execution, all subrecipients must have the needed support, confirmed matching resources, sufficiently developed plans, a program site, and budget to start the proposed program after the funding approval and complete the program within one year after start up. Programs should be able to begin on July 1<sup>st</sup>, the beginning of the City's Fiscal Year. Funds must be spent in a timely manner.

- A. Personnel. If the Agency experiences key staff changes, such as, new Executive Director, other key staff, program or financial staff, you must contact the Community Development office in writing informing the City of the change within 30 days.
- B. DUNS Number. HUD requires all recipients of federal funding to have a DUNS number. If your agency or business does not have a DUNS number, you can request one at this web site: <http://fedgov.dnb.com/webform/pages/CCRSearch.jsp>. In addition, agencies must be register the DUNS number with SAM.GOV. The DUNS # must be in active status on SAM.GOV.
- C. Insurance. The City requires CDBG grant recipients to carry minimum levels of insurance. The insurance requirements may change from year to year and may be more than the agency currently covers. The City must receive the certificate of insurance coverage and be listed as an additional insured. Prior to contract signature the City risk assessor must approve all insurance coverage. The current requirements are: commercial general liability of \$2 million occurrence/\$3 million aggregate; professional liability of \$1 million/\$2 million; Auto liability of \$2 million (if vehicles used); and worker's compensation of \$1 million, however, \$500,000, will be accepted.

### SUBRECIPIENT AGREEMENT DEVELOPMENT AND EXECUTION

The City will do its best to prepare and distribute draft CDBG funding agreements by July 1 of each year, or as soon as funds have been released by HUD. Subrecipient agencies are asked to review the drafts closely, to be familiar with all applicable CDBG program requirements, other Federal and City requirements, and associated responsibilities of the SUBRECIPIENT, including the time period to complete the work, and reporting and record retention requirements (see SECTION 6 of this manual). The Subrecipient should carefully review the scope of work for the activity, performance objectives and outcomes, eligible uses of the CDBG funding within the activity budget, and any special conditions attached to the award will also be specified in the agreement.

When a contract delay occurs, subrecipients may NOT begin to carry out any CDBG-funded activities; both they and the City must wait until agreements between HUD and the City are executed to begin accruing program costs.

Amendments. Occasionally, an element of the CDBG agreement needs to be amended, such as the outcomes to be achieved or the grant timeline. Before an amendment is formally requested, the subrecipient must contact the City's Community Development Department staff to discuss the situation and potential resolutions. If it is determined that an amendment to the funding agreement is warranted, the process for considering an amendment begins with a written request from the subrecipient agency to the City, outlining the circumstances that led to the need for the amendment, and requesting the amendment in terms as specific as possible. City staff will review the request for an amendment, request more information as needed, and then forward the request to the Community Development

Commission for consideration. If approved, a Grant Amendment document outlining the proposed changes will be prepared by City Staff for execution by the City Manager and the Executive Director of the subrecipient agency.

#### FEDERAL REQUIREMENTS

Subrecipients and subcontractors are required to comply with all applicable federal rules and regulations governing the use of CDBG funds 24 CFR Part 570 – CDBG Code of Federal Regulations as well as Office of Management and Budget (OMB) Circular 2 CFR Part 200. Therefore, financial management systems of other grantees and subgrantees must meet the following standards:

**Financial Reporting:** Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with financial reporting requirements of the grant.

**Accounting Records:** Agencies must maintain records which adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income. Accounting systems should include at least the following: chart of accounts, cash receipts journal, cash disbursements journal, payroll journal, and general ledger.

**Internal Control:** Effective control and accountability must be maintained for all grant cash, real and personal property, and other assets. Agency's must adequately safeguard all such property and must assure that it is used solely for authorized purposes. Agencies must have set procedures that define staff duties, lines of authority, separation of functions, and access controls. The organization must have accounting procedures for recording and approving transactions.

**Budget Control:** Actual expenditures or outlays must be compared with budgeted amounts for each grant. Financial information must be related to performance or productivity data, including the development of unit cost information whenever appropriate or specifically required in the grant agreement. If unit cost data are required estimated based on available documentation will be accepted whenever possible.

**Allowable Costs:** Applicable OMB cost principles, agency program regulations, and the terms of grant agreements will be followed in determining the reasonable, allowable, and allocable costs. The organization is required to have a HUD approved indirect cost allocation to charge indirect costs.

**Source Documentation:** Accounting records must be supported by such source documentation such as cancelled checks, paid bills, payrolls, receipts, invoices, payrolls, time and attendance records, contract and subgrant award documents, etc.

**Cash Management:** Maintain current budget for all funded activities and perform a comparison of that budget with actual expenditures for each budget category. Regularly compare progress towards the achievement of goals with the rate of expenditure of program funds. Ensure program income is used for permitted activities and used before further drawdowns are made from the grantee for the same activity.

**Audit:** The primary goal of the audit is to determine whether and agency has adequate systems in place to assure objects are met, resources are safe guarded, regulations are followed, and reliable dated is obtained and maintained. An audit encompasses auditing of expenses as well as programmatic requirements. The financial and programmatic audits are designed to ensure Subrecipients are in compliance to federal regulations defined in 2 CFR 200.

- **Financial audits** are designed to provide an independent opinion on the agency's financial statements, internal central structures, cash flow, and compliance with specific financial systems and procedural requirements.
- **Programmatic audits** provide an independent point of view on the extent to which the agency has efficiently and effectively carried out its operations and achieved the intended program results and benefit.

## GENERAL BUDGET INFORMATION

1. Personal Costs: Costs associated with the positions identified on staffing plan. Costs should reflect the actual amount of time each position spends on the program. Fringe Benefits – Payroll related costs of FICA, Worker's Compensation, health insurance, sick time, vacation, retirement etc.
2. Operating Costs/Program Delivery
  - a. Supplies – Consumable commodities that have a useful life of one year or less and which are valued under \$500.
  - b. Direct Client Supportive Services – Rent, bus passes, food utilities, childcare, clothing, hygiene kits and other program costs paid on behalf of clients.
  - c. Communication – Telephone, telephone installation, and postage.
  - d. Printing- Copying, printing, paper, ink, and copy machine.
  - e. Utilities- Electricity, gas, water, and trash removal.
  - f. Rent – Rental costs for real property or office space for program.
  - g. Travel- Mileage reimbursement for conducting program objectives.
  - h. Insurance- Insurance related costs required for the operation of the program.
  - i. Miscellaneous- for eligible operating expenses not noted above. Should not exceed 1% of CDBG grant.

**Entertainment costs are not an allowable expense and will not be reimbursed.**
3. Contract Services
  - a. Equipment Rental – Costs for the rental of equipment to operate program
  - b. Equipment Purchase – Purchase of equipment is essential to operate program and is more cost effective to purchase equipment rather than rent it. Includes any item with a useful life of more than one year and costs over \$500. Requires 3 bids. The lowest prices must be purchased or explanation as to why the lowest price was not purchased. Purchase of equipment requires prior City approval.
  - c. Contracted Services – Professional and technical services not performed by staff.
  - d. Audit Fees – City CDBG funds may pay for audit; however, only the percentage of the City CDBG federal funds in the total agency budget. For example, if the audit costs are \$1,000, and only 10% of the program's overall budget is from the City CDBG, only 10% of the bill is allowed. Bookkeeping and payroll fees are eligible expenses.

## REPORTING REQUIREMENTS

1. Quarterly Progress Reports will be required to report on the implementation of the CDBG funded activities.

**Quarterly Progress reports and invoices are due by the 15<sup>th</sup> of the month.**

  - a. Narrative highlighting progress in meeting objectives
  - b. CDBG recipient/client data for *all* new clients in the month of reporting
  - c. Program Income, if applicable
2. Annual/Closeout Report. The programmatic close-out report is due 15 days after the end of the program year July 15<sup>th</sup> and should consist of the following:
  - a. Review and verification of annual client statistical and narrative reported in quarterly reports with year to date client totals and narrative of the program year goals and accomplishments.
3. Quarterly Reimbursement Requests and Reports. CDBG grants are administered on a reimbursement basis and reimbursement requests are due by the 15<sup>th</sup> of the month following each quarter. To request a reimbursement subrecipients must submit the following:
  - a. CDBG Reimbursement Request Form
  - b. Quarterly Invoice documenting and adding up expenditures
  - c. Timesheets (if applicable): If salaries are charged then timesheets must be submitted. Timesheets must

differentiate between hours charged and not charge to CDBG. It should be signed by the employee and their supervisor. Time charged should only include time spent with eligible Albany residents or administering the CDBG program.

#### OTHER APPLICABLE LAWS AND REQUIREMENTS

CDBG subrecipients must comply with all applicable state and federal laws and are referenced in the Subrecipient Agreement. Below is a summary of some of the laws and requirements:

Conflict of Interest. No persons affiliated with the entitlement community (including subrecipients) who exercise or have exercised any responsibilities with respect to CDBG programming, or who are in a position to participate in a decision-making process, may obtain a financial interest or benefit from a CDBG-assisted activity (including subcontracts), either for themselves or those with whom they have business or immediate family ties, during their income tenure or for one year thereafter.

Civil Rights, Fair Housing Laws, and Equal Employment Opportunities. Subrecipients must comply with Title VI of the Civil Rights Act of 1964 (prohibiting race, color, and national origin discrimination including language access for limited English proficient persons), Section 504 of the Rehabilitation Act of 1973 (prohibiting disability discrimination), Title IX of the Education Amendments of 1972 (prohibiting sex discrimination in the education and training programs), and the Age Discrimination Act of 1975 (prohibiting age discrimination in the provision of services). CDBG funded services may focus on a particular group or population without violating guidelines regarding equal access to services, if any member within the particular group is able to participate. The City will ensure that subrecipients abide by federal Fair Housing and Equal Opportunity (FHEO) requirements for non-discrimination with regard to housing or services provided.

Americans with Disabilities Act. CDBG funded activities must comply with the Americans with Disabilities Act (ADA). The ADA provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications. ADA requires that buildings are designed and constructed to be accessible to and usable by individuals with disabilities. The law also requires the removal of architectural and communication barriers to existing facilities, where such removal is easily accomplishable and able to be carried out without much difficulty or expense

Section 3 of the Housing and Urban Development Act of 1968 promotes employment, training, and contracting opportunities for lower-income residents who live in the neighborhoods where HUD funding is allocated. To the greatest extent feasible, businesses and contractors employed on HUD funded projects must make a Good Faith Effort to train and/or employ Section 3 residents (lower-income) within the area, and contract with businesses that employ Section 3 residents. Learn more at 24 CFR Part 75. The three primary goals of Section 3 are:

1. To the greatest extent feasible, provide outreach and training to Section 3 residents.
2. To the greatest extent feasible, train and/or hire Section 3 residents.
3. To the greatest extent feasible, contract with Section 3 businesses.

Equipment Disposition. All equipment with a cost of \$500 or more purchased with HUD grant funds shall revert to the City at the close of the activity. If a Subrecipient wishes to continue utilizing the equipment, and is not funded the following, a letter must be submitted to City requesting approval and describing how the continued use of the equipment, the grant objectives will be met. Equipment shall be depreciated on a 5-year, straight line depreciation basis. A Subrecipient is required to maintain records of the HUD funded equipment purchases and report to the City during the 5 year depreciation period. If the property is disposed of prior to the 5-year depreciation period, the City shall provide the disposition instructions. If the property is disposed of for cash during the depreciated period it is considered Program Income, which must be reported.

Once the equipment has been fully depreciated, and if the equipment is sold, the Subrecipient may retain funds provided that the City is notified in writing and the funds are used for the exclusive benefit of the previously CDBG funded program.

Real Property Disposition. Real property is defined as land, including land improvements and buildings. Any real property acquired or improved in whole or in part with CDBG funds in excess of \$25,000 must continue to meet the National Objective of the program for a minimum of 5 years after expiration of the contract. If a National Objectives is not being met, the Subrecipient must sell the real property in a manner that results in the reimbursement of the federal grant funds that were expended for the project.

Displacement. Developers are encouraged to propose projects that prevent or minimize displacement of occupants, rehabilitation projects that require only temporary relocation; and new construction projects. If a project includes relocation, federal Uniform Relocation Act (URA) and Section 104(d) requirements must be met.

The Uniform Relocation Act (URA) applies to all occupied residential and/or commercial property assisted with federal funds. The URA protects all tenants in occupancy at the time of application for federal funds. You may not deny tenancy to current tenants – including refusal to renew a lease unless the tenant has violated the lease. The URA also protects tenants occupying or vacating units following application unless proper procedures are followed. URA guarantees that after the project is completed, the tenant's initial rent, including the estimated average monthly utility costs, will not exceed the greater of: tenant's current rent and average utility cost or 30% of tenant's average monthly gross household income.

## SECTION 7: SUBRECIPIENT MONITORING

City Policy: City staff shall conduct a risk assessment of all open CDBG activities and conduct on-site monitoring of activities that meet the threshold criteria identified by the annual risk assessment.

The City is responsible for ensuring that subrecipients comply with all regulations and requirements governing the administrative, programmatic and financial management of the use of CDBG funds. Monitoring is an ongoing process beginning with the Eligibility Review and concluding with Grant Closeout, to ensure program requirements are being met and subrecipients have sound fiscal practices and records. The exception to this approach involves situations when the conditions of the subrecipient's CDBG written agreement involve compliance beyond the term of the agreement, such as when CDBG funds were used to acquire or improve property. In those situations, the property must continue to meet a CDBG National Objective for a minimum period of five years, unless a longer period is specified in the CDBG written agreement.

The City's approach to overseeing the performance of its CDBG grantees includes desk monitoring of all files throughout the year to ensure compliance with eligibility, national objectives, eligible expenditures, and performance. A more detailed on-site monitoring for selected programs and activities that score higher when completing a risk assessment. In a monitoring visit, one or more City employees will arrange a time to meet with key agency staff at the location where CDBG-funded activities are being conducted. Monitoring also gives the City a chance to provide any technical assistance needed to help grantees understand the rules, regulations, requirements, and expectations that come with their acceptance of a CDBG award.

It is the intent of the City to cultivate positive partnerships with subrecipients and provide technical assistance, support or training to ensure compliance and program success.

Risk Assessment. The specific factors of risk considered as part of the Risk Assessment include staff turnover, experience with CDBG funding, nature of the activity, grant amount, timely performance reports and reimbursement requests, staff responsiveness, time since most recent monitoring, program income, and housing rehabilitation where lead-based paint may be present.

Monitoring Process. The monitoring process involves resolving problems, offering technical assistance, and promoting timely implementation of programs. In efforts of achieving this City staff may require documentation and corrective actions.

Monitoring letters and worksheets will be sent in advance so that grantees know what to expect at the meeting. Expect the following documentation and practices to be reviewed at a desk or on-site monitoring visit:

1. Client certification/intake forms of an CDBG-funded activity the first time they are served;
2. Overview of methodology used to count clients and determine client incomes or serving clients presumed to be low-income;
3. Timesheets for employees whose personnel costs are funded with CDBG resources;
4. Invoices and evidence of payment for costs paid with CDBG resources; and
5. Overview of the methodology being used to track and report on activity performance measures and outcomes.

Monitoring visits conclude with a summary of any findings or concerns that may arise and additional consultation or documentation that will be required to close the monitoring review. are followed up with a written summary, prepared by City staff. The summary may recommend improved practices or procedures, and at times, what an agency must do to alter its practices or procedures to achieve program compliance. If monitoring "findings" are serious and cannot be satisfactorily resolved, these may be grounds for the suspension or termination of CDBG funding. If a monitoring results in a findings letter, agencies will have an opportunity to respond, also in writing, to outline areas of disagreement, or to describe what they will do to address the finding. From this point forward the City and the agency will work together to determine whether the finding resulted from a misunderstanding or is

valid. If the finding is determined to be valid, the agency will have an opportunity to resolve it within the City's stated time frame and if it is resolved, no suspension or termination of support will be imposed.

A monitoring visit will include:

- **Notification Letter** - A letter will explain the purpose of the visit, confirm date, scope of monitoring and outlines the information that will be needed to conduct the review.
- **Entrance Conference** – Introduction monitoring visit purpose, scope and schedule
- **Documentation and Data Gathering** – The City will review and collect data and document conversations held with staff, which will serve as the basis for conclusions drawn from the visit. This includes reviewing client files, financial records, and agency procedures.
- **Exit Conference** – At the end of the visit the City will meet again with agency staff to present preliminary results, provide an opportunity for the agency to correct any discrepancies and report any corrective actions already in progress.
- **Follow-up Letter** – The City will forward a formal written notification of the results of the monitoring visit pointing out problems areas and recognizing successes. The agency will be required to respond in writing to any problems or concerns noted.

On-Site Visits. City staff may hold on-site visits with Subrecipients whose performance does not appear to be sufficient in meeting the objective stated in the agreement. An on-site visit may occur to discuss the service activity shortfall. On-site monitoring visits may also be conducted in order to ascertain that eligible clients for whom the program was intended are being served and in the event of an audit; the required client information is being maintained. An on-site visit may also occur if a Subrecipient is not spending in a timely manner.

Corrective Action. Subrecipients to provide corrective action workout plans if the following occur:

- Goals are not being met and/or lack of performance
- Funds are not being spent on a timely basis or incorrectly
- Insufficient documentation
- Complaints

Monitoring Records to Be Maintained:

- ☐ Intent to monitor notice (letter or email)
- ☐ Entrance sign-in sheet/attendance
- ☐ Monitoring worksheet/tools
- ☐ Email correspondence
- ☐ Monitoring results letter
- ☐ Supporting documentation

#### CITY INTERNAL AUDIT REVIEWS

The City reserves the right to have its Internal Audit Division review all Subrecipient records and transactions. Audit findings resulting in monetary repayment to the City will be collected by the City from the Subrecipient's non-federally funded resources. City Internal Auditors review Subrecipient monitoring/account reviews to begin their single audit review. Reports containing finding are then sent to both the City Community Economic Development Department and Subrecipient for compliance. Progress on the compliance is monitored. Failure to resolve findings within a reasonable amount of time may result in suspension, termination of grant agreement, and/or disbarment from future grant funding.

#### EXTERNAL AUDIT REVIEWS

All Subrecipients must submit a single audit, Audited Financials, or an Annual Certified Financial Statement. The City reserves the right to request a Subrecipient to hire a Certified Public Accountant to review and report on the



agency financial and programmatic records. Types of Audits:

- **Single Audit** – Organization that expend \$750,000 or more in one year in federal awards shall have a single or program specific audit conducted for that year.
- **Audit Financials** – A CPA has audited records in accordance with Generally Accepted Accounting Principles (GAAP).
- **Annual Certified Financial Statement** – This is the lowest threshold criteria and will only be accepted from those non-profits who can document that they did not qualify for a single or regular audit. Annual Certified Financial Statements (ACFS) must be certified, signed, and dated by the Treasurer and the Board President. They must also have the following certification statement: We, the undersigned, as Executive Director and Treasurer of (Name of Organization), hereby certify that, to the best of our understanding and knowledge, the attached Financial Statements fairly and accurately represent the financial condition and operations of this organization.

**IRS Form 990 filing** – All organizations with revenue or \$25,000 or more must complete and submit this annual tax report. Contact the IRS for more information.

#### RECORDS RETENTION PERIOD

- Four years from the contract closeout date (date on closeout letter) or in subrecipient agreement. Contract closeout date is four years from the date that the City received approval of its Consolidated Annual Performance Report that included the activity performance measures.

## APPENDIX A: REGULATORY REFERENCES

### Community Development Block Grant Program Regulations

- 24 CFR Part 570

### Citizen Participation

- CDBG Regulations (24 CFR 570.303)
- Consolidated Plan (24 CFR Part 92)

### Environmental Review

- CDBG Regulations (24 CFR 570.604)
- National Environmental Policy Act of 1969, regulations at 40 CFR Parts 1500 1508
- HUD Environmental Review Regulations (24 CFR Part 58)
- National Historic Preservation Act (36 CFR Part 800, 1294)
- E.O. 11988, Floodplain Management (24 CFR Part 55)
- E.O. 11990, Protection of Wetlands (24 FR Part 55)
- E.O. 12372, Intergovernmental Review of Federal Programs (24 CFT 570.612)
- Noise Control Act (24 CFR Part 51 (B))
- Clean Air Act 42 U.S.C. 7400 et seq., Section 117 and 176
- HUD Notice 79-33, 24 CFR Part 51 (C, D)
- Clean Water Act (33 CFR Part 230, 320 325)
- Safe Drinking Water Act, 42 U.S.C. 300
- Resources Conservation and Recovery Act, 42 U.S.C. 6901 6987
- Coastal Zone Management Act (15 CFR Part 930)
- Coastal Barrier Resource Act 1982
- Endangered Species Act (50 CFR Part 402)
- Environmental Justice in Minority Populations and Low-Income Populations (24 CFR Part 58.5)
- Farmlands Protection Policy Act of 1981 (7 CFR Part 658)
- Wild and Scenic Rivers Act (CBQ Memorandum 8 10 80)
- Energy Policy and Conservation Act (Pub.L. 94 163)

### Procurement

- CDBG Regulations (24 CFR Part 135, 570, Ch. X, (B))
- Davis Bacon Act (40 U.S.C. 276A), and supplemented by 29 CFR, Part 5 and 41 CFR, Part 60
- Copeland Anti Kickback Act (18 USC 874)
- Contract Work Hours and Safety Standards Act (40 U.S.C. 327 330)
- Civil Rights Act of 1964, Title VI
- Civil Rights Act of 1968, Title VIII
- E.O. 11246, as amended

### □ DOL Regulations (41 CFR Part 60 1, 60 4, 60 250, 60 741)

- Fire Administration Authorization Act of 1992 (Pub. L. 102-522)
- Flood Disaster Protection Act of 1973 (Pg. 93 234)
- Architectural Barriers Act of 1968 (42 U.S.C. 4151)

### Acquisition/Displacement/Relocation

- CDBG Regulations (24 CFR 570.606)
- Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (40 U.S.C. 4601)
- Uniform Relocation Act Amendment of 1987 (P.L. 100 17)

## Finance

- CDBG Regulations (24 CFR Part 570)
- Super Circular: Uniform Administrative Requirements for Federal Awards (2 CFR 200 Subpart D)

## Records and Documentation

- CDBG Regulations (24 CFR Part 570.506)
- Civil Rights Act of 1964, Title VI
- Civil Rights Act of 1968, Title VIII
- Executive Order 11063
- 24 CFR, Part 8, Nondiscrimination Based on Handicap in Federally Assisted Programs and Activities
- Section 504 of the Rehabilitation Act (1973), as amended
- 24 CFR 570.605 National Flood Insurance Program

Helpful links, frequently asked questions, documents, technical assistance, regulatory references, etc. can be accessed from the CDBG website: [www.cityofalbany.net/CDBG](http://www.cityofalbany.net/CDBG).

## APPENDIX B: NATIONAL OBJECTIVES CODE AND MATRIX

The National Objective Codes (NOCs) are listed below with descriptions and applicable CFR citations. The NOCs that may be used with each eligible activity are in the following matrix.

NOC	Description	24 CFR Citation
LMA	<b>Low/mod area benefit</b> Activities providing benefits that are available to all the residents of a particular area, at least 51% of whom are low/mod income. The service area of an LMA activity is identified by the grantee, and need not coincide with Census tracts or other officially recognized boundaries.	570.208(a)(1)
LMAFI	<b>Low/mod area benefit, community development financial institution (CDFI)</b> Job creation and retention activities that are carried out by a CDFI and that the grantee elects to consider as meeting the low/mod area benefit criteria.	570.208(d)(6)(i)
LMASA	<b>Low/mod area benefit, neighborhood revitalization strategy area (NRSA)</b> Job creation and retention activities that are carried out pursuant to a HUD-approved Neighborhood Revitalization Strategy (NRS) and that the grantee elects to consider as meeting the low/mod area benefit criteria.	570.208(d)(5)(i)
LMC	<b>Low/mod limited clientele benefit</b> Activities that benefit a limited clientele, at least 51% of whom are low/mod income. LMC activities provide benefits to a specific group of persons rather than to all the residents of a particular area.	570.208(a)(2)
LMCMC	<b>Low/mod limited clientele, micro-enterprises</b> Activities carried out under 24 CFR 570.201(o) that benefit micro-enterprise owners/developers who are low/mod income.	570.208(a)(2)(iii)
LMCSV	<b>Low/mod limited clientele, job service benefit</b> Activities that provide job training, placement and/or employment support services in which the percentage of low/mod persons assisted is less than 51%, but the proportion of the total cost paid by CDBG does not exceed the proportion of the total number of persons assisted who are low/mod.	570.208(a)(2)(iv)
LMH	<b>Low/mod housing benefit</b> Activities undertaken to provide or improve permanent residential structures that will be occupied by low/mod income households.	570.208(a)(3)

**Appendix B: National Objectives Codes & Eligible Activities Matrix**

<b>NOC</b>	<b>Description</b>	<b>24 CFR Citation</b>
LMHSP	<b>Low/mod housing benefit, CDFI or NRSA</b> Activities carried out by a CDFI or pursuant to a HUD-approved Neighborhood Revitalization Strategy (NRS) to provide or improve permanent residential structures which the grantee elects to consider as a single structure for purposes of determining national objective compliance. For example, two single-unit homes rehabilitated in an NRS may be considered a single structure; at least one of the units must be occupied by a low/mod household. If ten single-unit homes were assisted, at least six (51%) must be occupied by low/mod households.	570.208(d)(5)(ii) and (d)(6)(ii)
LMJ	<b>Low/mod job creation and retention</b> Activities undertaken to create or retain permanent jobs, at least 51% of which will be made available to or held by low/mod persons.	570.208(a)(4)
LMJFI	<b>Low/mod job creation and retention, public facility/improvement benefit</b> Public facility/improvement activities that are undertaken principally for the benefit of one or more businesses and that result in the creation/retention of jobs.	570.208(a)(4)(vi)(F)
LMJP	<b>Low/mod job creation, location-based</b> Activities where a job is held by or made available to a low/mod person based on the location of the person's residence or the location of the assisted business.	570.208(a)(4)(iv)
SBA	<b>Slum/blight area benefit</b> Activities undertaken to prevent or eliminate slums or blight in a designated area.	570.208(b)(1)
SBR	<b>Slum/blight, urban renewal areas</b> Activities authorized under an Urban Renewal Loan and Grant Agreement that are undertaken to prevent or eliminate slums or blight in an urban renewal area and that are necessary to complete an Urban Renewal Plan.	570.208(b)(3)
SBS	<b>Slum/blight, spot basis</b> Activities undertaken on a spot basis to address conditions of blight or physical decay not located in designated slum/blight areas.	570.208(b)(2)
URG	<b>Urgent need</b> Activities that alleviate emergency conditions of recent origin which pose a serious and immediate threat to the health or welfare of the community; eligible only if the grantee cannot finance the activity on its own and no other sources of funding are available.	570.208(c)

## Appendix B: National Objectives Codes & Eligible Activities Matrix

Matrix Code Key		National Objective Codes (N = Not Allowed)														
Code	Eligible Activity	LMA	LMAFI	LMA5A	LMC	LMCMC	LMCSV	LMH	LMHSP	LMJ	LMJFI	LMUP	SBA	SBS	SBR	URG
01	Acquisition of Property - 570.201(a)					N	N				N					
02	Disposition - 570.201(b)					N	N				N			N		
03A	Senior Centers	N				N	N	N	N							
03B	Facility for Persons with Disabilities	N				N	N	N	N							
03C	Homeless Facilities (not operating costs)	N				N	N	N	N							
03D	Youth Centers	N				N	N	N	N							
03E	Neighborhood Facilities					N	N	N	N							
03F	Parks, Recreational Facilities		N	N		N	N	N	N	N		N				
03G	Parking Facilities					N	N	N	N							
03H	Solid Waste Disposal Improvements					N	N									
03I	Flood Drainage Improvements					N	N									
03J	Water/Sewer Improvements					N	N									
03K	Street Improvements					N	N									
03L	Sidewalks					N	N									
03M	Child Care Centers	N				N	N	N	N							
03N	Tree Planting					N	N		N							
03O	Fire Station/Equipment		N	N	N	N	N	N	N	N		N				
03P	Health Facilities					N	N	N	N							
03Q	Abused and Neglected Children Facilities	N				N	N	N	N							
03R	Asbestos Removal					N	N	N	N							
03S	Facilities for AIDS Patients (no op'ing costs)	N				N	N	N	N							
03T	Operating Costs Homeless/AIDS Patients	N	N	N		N	N	N	N	N	N	N		N	N	
03Z	Other Public Improvements Not Listed in 03A-03S					N	N									
04	Clearance and Demolition					N	N				N					
04A	Cleanup of Contaminated Sites					N	N				N					
05A	Senior Services	N	N	N		N		N	N	N	N	N		N	N	
05B	Services for Persons with Disabilities	N	N	N		N		N	N	N	N	N		N	N	
05C	Legal Services		N	N		N		N	N	N	N	N		N	N	
05D	Youth Services	N	N	N		N		N	N	N	N	N		N	N	
05E	Transportation Services		N	N		N		N	N	N	N	N		N	N	
05F	Substance Abuse Services		N	N		N		N	N	N	N	N		N	N	
05G	Services for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking	N	N	N		N		N	N	N	N	N		N	N	
05H	Employment Training		N	N		N		N	N	N	N	N		N	N	
05I	Crime Awareness		N	N		N		N	N	N	N	N		N	N	
05J	Fair Housing Activities-Subj.to Pub.Serv.Cap		N	N		N		N	N	N	N	N		N	N	
05K	Tenant/Landlord Counseling	N	N	N		N		N	N	N	N	N		N	N	
05L	Child Care Services	N	N	N		N		N	N	N	N	N		N	N	
05M	Health Services		N	N		N		N	N	N	N	N		N	N	
05N	Abused and Neglected Children	N	N	N		N		N	N	N	N	N		N	N	
05O	Mental Health Services		N	N		N		N	N	N	N	N		N	N	
05P	Screening for Lead Based Paint/Lead Hazards	N	N	N		N		N	N	N	N	N		N	N	
05Q	Subsistence Payments	N	N	N		N		N	N	N	N	N		N	N	
05R	Homebuyer Downpayment Assistance - Excluding Housing Counseling, under 24 CFR 5.100	N	N	N	N	N	N			N	N	N		N	N	
05S	Rental Housing Subsidies	N	N	N	N	N				N	N	N		N	N	
05T	Security Deposits	N	N	N	N	N				N	N	N		N	N	
05U	Housing Counseling Only, under 24 CFR 5.100	N	N	N	N	N	N			N	N	N	N	N	N	N
05V	Neighborhood Cleanups		N	N	N	N		N	N	N	N	N		N	N	
05W	Food Banks		N	N		N		N	N	N	N	N		N	N	
05X	Housing information and referral services	N	N	N		N	N			N	N	N	N	N	N	N
05Y	Housing Counseling under 24 CFR 5.100 supporting homebuyer downpayment assistance (05R)	N	N	N	N	N	N			N	N	N		N	N	
05Z	Other Public Services Not Listed in 03T and 05A-05Y		N	N		N		N	N	N	N	N		N	N	
06	Interim Assistance		N	N	N	N	N	N	N	N	N	N			N	
07	Urban Renewal Completion					N	N				N		N	N		N
08	Relocation					N	N				N					
09	Rental Income Loss					N	N				N					
11	Privately Owned Utilities					N	N				N					
12	Construction of Housing	N	N	N	N	N	N			N	N	N		N		
13A	Housing Counseling, under 24 CFR 5.100, for Homeownership Assistance 13B	N	N	N	N	N	N			N	N	N	N	N	N	N
13B	Homeownership Assistance - excluding Housing Counseling under 24 CFR 5.100	N	N	N	N	N	N			N	N	N	N	N	N	N

**Appendix B: National Objectives Codes & Eligible Activities Matrix, Continued**

Matrix Code Key		National Objective Codes (N = Not Allowed)														
Code	Eligible Activity	LMA	LMAFI	LMASA	LMC	LMCMC	LMCSV	LMH	LMHSP	LMJ	LMJFI	LMJP	SBA	SBS	SBR	URG
14A	Rehab; Single-Unit Residential	N	N	N	N	N	N			N	N	N				
14B	Rehab; Multi-Unit Residential	N	N	N	N	N	N			N	N	N				
14C	Public Housing Modernization	N	N	N	N	N	N			N	N	N				
14D	Rehab; Other than Public-Owned Residential Buildings	N	N	N	N	N	N			N	N	N				
14E	Rehab. Pub./Pvt.-Comm./Indus <sup>t</sup>					N	N	N	N		N					
14F	Energy Efficiency Improvements	N	N	N	N	N	N			N	N	N				
14G	Acquisition for Rehabilitation	N	N	N	N	N	N			N	N	N				
14H	Rehabilitation Administration					N	N				N					
14I	Lead-Based Paint Abatement	N	N	N	N	N	N			N	N	N				
14J	Housing Services, excluding Housing Counseling under 24 CFR 5.100	N	N	N	N	N	N			N	N	N	N	N	N	N
14K	Housing Counseling, under 24 CFR 5.100, Supporting HOME Program Assistance Housing Activities	N	N	N	N	N	N			N	N	N	N	N	N	N
14L	Housing Counseling, under 24 CFR 5.100, in Conjunction with CDBG Assisted Housing Rehab	N	N	N	N	N	N			N	N	N				
15	Code Enforcement		N	N	N	N	N	N	N	N	N	N		N		
16A	Residential Historic Preservation	N	N	N	N	N	N			N	N	N				N
16B	Non-Residential Historic Preservation					N	N	N	N		N					N
17A	ED Acquisition by Recipient					N	N	N	N							
17B	CI Infrastructure Development					N	N	N	N					N		
17C	CI Building Acq., Construction, Rehabilitation					N	N	N	N		N					
17D	Other Commercial/Industrial Improvements					N	N	N	N		N					
18A	ED Assistance to For-Profits				N	N	N	N	N		N			N		
18B	Economic Development: Technical Assistance				N	N		N	N		N			N		
18C	Micro-Enterprise Assist.						N	N	N		N			N		
19C	Nonprofit Capacity Building															
19E	Operation and Repair of Foreclosed Property		N	N	N	N	N			N	N	N	N	N	N	N
19F	Planned Repayments of Sec.108 Loans	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
19G	Unplanned Repayments of Sec.108 Loans	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
19H	State CDBG Technical Assistance to Grantees	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
20	Planning	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
20A	State Planning-only 570.483(b)(5) and (c)(3)															N
21A	General Program Admin. - 570.206	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21B	Indirect Costs	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21C	Public Information	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21D	Fair Housing Activity (subject to Admin. cap)	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21E	Submissions or Applications for Federal Programs	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21H	CDBG Funding of HOME Admin.	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21I	CDBG Funding of HOME CHDO Operating Costs	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21J	State Administration Costs	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
23	Tornado Shelters - Private Mobile Home Parks		N	N	N	N	N	N	N	N	N	N	N	N	N	N
24A	Payment of Interest on Section 108 Loans	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
24b	Payment of Costs of Section 108 Financing															
24C	Debt Service Reserve	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
National Objective Key								Entitlements					States			
LMA	Low- and moderate-income (Low/Mod) Area Benefit							570.208(a)(1)					570.483(b)(1)			
LMAFI	Low/Mod Area Benefit CDFI							570.208(d)(6)(i)					570.483(e)(4)			
LMASA	Low/Mod Area Benefit NRSA							570.208(d)(5)(i)					570.483(e)(5)			
LMC	Low/Mod Limited Clientele							570.208(a)(2)					570.483(b)(2)			
LMCMC	Low/Mod Limited Clientele Microenterprise Development							570.208(a)(2)(iii)					570.483(b)(2)(iv)			
LMCSV	Low/Mod Limited Clientele, Job Service Benefit							570.208(a)(2)(iv)					570.483(b)(2)(v)			
LMH	Low/Mod Housing							570.208(a)(3)					570.483(b)(3)			
LMHSP	Low/Mod Housing, CDFI or NRSA							570.208(d)(5)(ii) & (d)(6)(ii)					570.483(e)(5)			
LMJ	Low/Mod Job Creation or Retention							570.208(a)(4)					570.483(b)(4)			
LMJFI	Low/Mod Job Creation/Retention, Public Facility/Improvement							570.208(a)(4)(vi)(F)					570.483(b)(4)(vi)(F)			
LMJP	Low/Mod Job Creation or Retention, Location Based							570.208(a)(4)(iv)(B)					570.483(b)(4)(iv)(B)			
SBA	Slum and Blight Area							570.208(b)(1)					570.483(c)(1)			
SBS	Slum and Blight Spot							570.208(b)(2)					570.483(c)(2)			
SBR	Slum and Blight Urban Renewal/Planning Activities (States)							570.208(b)(3)					570.483(c)(3)			
URG	Urgent Needs							570.208(c)								



## APPENDIX C: INCOME DETERMINATION WORKSHEET

<b>CDBG PROGRAM BENEFICIARY INCOME DETERMINATION WORK SHEET</b>
Income Includes: all money coming into the household from all persons over 18 years old including gross wages, self employment wages, TANF, social security payments, retirement, disability, alimony, child support, unemployment, social security benefits, interest from bank accounts or investments, and regular gifts of money. Occasional overtime is excluded, but regular overtime is included.
<b>Income Exclusions:</b> The following types of income do NOT need to be reported: SNAP/food stamps, full-time students over 18 living in household earning less than \$480/year, student scholarships, lump sum settlements or inheritances, reimbursements for medical expenses, hostile duty pay, or payments from HUD programs for self-sufficiency attainment.

### Calculating Annual Income (12 months)

<b>A. Wages/Salary before taxes:</b>	
Annual Gross Salary - If you know your annual salary record this:	
If paid the same amount each pay period, multiply your pay by the number of paychecks you receive annually:	
If paid hourly, to calculate the total number of annual hours, multiply the # of average hours worked in one pay period by the # of pay periods in 12 months, then multiply the total annual hours by hourly wage:	
Regular/guaranteed overtime earnings:	
Tips, bonuses, commissions, fees, or other compensation:	
<b>A. Total Annual Wage/Salary:</b>	
<b>B. Other Income (record all applicable sources of income received annually):</b>	
Net income from operating a business:	
Social Security payments (total GROSS for the year):	
Income from annuities, insurance policies, retirement funds, pensions, disability, or death benefits:	
Regular gifts or contributions:	
Child of alimony support:	
Unemployment, workers comp, severance pay:	
Public assistance payments (TANF):	
Armed Forces pay (except hostile duty pay):	
Earned Income Tax Credit:	
Gambling, prizes:	
Interest, dividends:	
<b>B. Total Other Income:</b>	
<b>TOTAL ALL INCOME (Add A &amp; B together)</b>	

Applicant Name: \_\_\_\_\_ Date: \_\_\_\_\_

Property Address: \_\_\_\_\_ Household Size: \_\_\_\_\_



APPENDIX D: SAMPLE TIME SHEET

**AGENCY** \_\_\_\_\_

**Employee:** \_\_\_\_\_

**Pay Period:** \_\_\_\_\_

Description	Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Day															
DAILY TOTALS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	0.0															
Albany CDBG	0.0															
Other Activities	0.0															
Administrative	0.0															
Training	0.0															
	0.0															
Vacation	0.0															
Sick	0.0															
Holiday	0.0															
	0.0															
	0.0															
MONTHLY TOTALS	0.0															

**Employee Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Supervisor Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

## APPENDIX E: Documenting the Low Mod Job Creation/Retention (LMJ) National Objective

### Low Mod Job Creation or Retention Activities (LMJ)

- The job creation and retention LMI benefit national objective addresses activities designed to create or retain permanent jobs, at least 51 percent of which (computed on a full-time- equivalent basis) will be made available to or held by LMI persons.
  - If the business will create permanent part-time jobs, the part-time jobs must be added together in order to calculate the needed 51 percent of full-time-equivalent (FTE) jobs.
  - For example, if the business creates two quarter-time jobs and one half-time job, together these constitute one FTE.
  - The calculation of FTE is based on the number of hours worked per week, divided by 40.
- Some examples of activities that qualify when at least 51 percent of jobs created/retained will be for LMI persons include:
  - Clearance activities on a site slated for a new business;
  - Rehabilitation activity that will correct code violations and enable a business to survive and retain jobs;
  - Financial assistance to a manufacturer for the expansion of its facilities that is expected to create permanent jobs; and
  - Assistance to expand a small house cleaning service with four employees that agrees to hire three additional LMI employees.
- The following requirements must be met for **jobs to be considered created or retained**.
  - If jurisdictions fund activities that **create jobs**, there must be documentation indicating that at least 51 percent of the jobs will be held by, or made available to, LMI persons; and
  - For funded activities that **retain jobs**, there must be sufficient information documenting that the jobs would have been lost without the CDBG assistance and that one or both of the following applies to at least 51 percent of the jobs:
    - The job is held by a LMI person; or
    - The job can reasonably be expected to turn over within the following two years and steps will be taken to ensure that the job will be filled by, or made available to, a LMI person.
- The following requirements apply for jobs to be considered available to or held by LMI persons.

Created or retained jobs are only **considered to be available to LMI persons** when:

- Special skills that can only be acquired with substantial training or work experience or education beyond high school are not a prerequisite to fill such jobs, or the business agrees to hire unqualified persons and provide training; and
  - The State and the assisted business take actions to ensure that LMI persons receive first consideration for filling such jobs.
  - Created or retained jobs are only considered to be held by LMI persons when the job is actually held by a LMI person.
- For the purpose of determining if the preceding requirements are met, a person may be presumed to be LMI if:
    - He/she resides in a census tract/block numbering area that has a 20-percent poverty rate (30-percent poverty rate if the area includes the central business district); and the area evidences pervasive poverty and general distress; or
    - He/she lives in an area that is part of a federally designated EZ, EC, or NRSA (see p. 58); or

## APPENDIX E: Documenting the Low Mod Job Creation/Retention (LMJ) National Objective

- He/she resides in a census tract/block numbering area where at least 70 percent of the residents are LMI.
- Jobs created or retained by assisted businesses may also be presumed to be LMI if the job and business are located in an area that:
  - Has a 20-percent poverty rate (30-percent poverty rate if the area includes the central business district) and the area evidences pervasive poverty and general distress; or
  - Is part of a federally designated EZ or EC; and
  - The jobs will be located in the qualifying area.
- To determine if an area evidences pervasive poverty and general distress, the following standards are applicable:
  - All block groups in the census tract have poverty rates of at least 20 percent;
  - The specific activity being undertaken is located in a block group that has a poverty rate of at least 20 percent; and
  - Upon the written request of the State grantee, HUD determines that the census tract exhibits other objectively determinable signs of general distress such as high incidence of crime, narcotics use, homelessness, abandoned housing, and deteriorated infrastructure or substantial population decline.
- As a general rule, each assisted business shall be considered to be a separate activity for purposes of determining whether the activity qualifies under the job creation and retention category for meeting a national objective.
  - However, in certain cases, such as where CDBG funds are used to acquire, develop, or improve a real property (e.g., a business incubator or an industrial park), the requirement may be met by measuring jobs in the aggregate for all the businesses that locate on the property, provided such businesses are not otherwise assisted by CDBG funds.
- Additionally, where CDBG funds are used to pay for the staff and overhead costs of an entity making loans to businesses from non-CDBG funds, this requirement may be met by aggregating the jobs created by all of the businesses receiving loans during any program year.
- As mentioned under the area benefit category, certain job creation or retention activities carried out by a CDFI or under a community revitalization strategy can meet the national objective of benefiting LMI persons under either category. In these instances, the State will decide which category it will use to qualify the activity and record the decision in program files so that HUD will know which category is being applied.
- Recordkeeping requirements in this category relate to both the status of the business, the jobs created or retained, and the LMI persons benefiting from the activity. The following is an outline of the documents that should be maintained by grantees:
  - Written agreement with the business in which the following is specified:
    - A commitment from the assisted business to hire or retain LMI persons;
    - The type of job and whether the job will be full or part time; and
    - The actions that the business will take to ensure that at least 51 percent of the hires or retainees will be LMI persons.
  - Compliance with the written agreement must be documented as follows:
    - The jobs that were actually created and/or retained;
    - Whether each such job was held by or made available to a LMI person; and

## APPENDIX E: Documenting the Low Mod Job Creation/Retention (LMJ) National Objective

- The full-time equivalency status of the jobs.
- **For created jobs that will be held by LMI persons**, the records must demonstrate:
  - Listing by job title of the jobs created;
  - Listing by job title of the jobs filled;
  - The name and income status of the person who filled each position; and
  - The full-time equivalency status of the jobs.
- **For created jobs that will be made available to LMI persons** but are not taken by LMI persons:
  - The title and description of the jobs made available;
  - The full-time equivalency status of the job;
  - The prerequisites for the job; special skills or education required for the job, if any; and the business commitment to provide needed training for such jobs; and
  - How first consideration was given to LMI persons for the job can be recorded as the name(s) of person(s) interviewed for the job and the date of the interview(s), and the income status of the person(s) interviewed.
- **For retained jobs that would otherwise be lost:**
  - Specific evidence that the jobs would be lost without the CDBG assistance; and
  - If the retained job is held by a LMI person:
    - ~ A listing by job title of permanent jobs retained;
    - ~ The jobs that are known to be held by LMI persons at the time of assistance;
    - ~ The full-time equivalency status of each job; and
    - ~ Family size and annual income of each LMI person.
- **For retained jobs that are projected to turn over to LMI persons:**
  - A listing of the retained jobs that are projected to become available within two years of assistance;
  - The basis of the determination that the job is likely to turnover within two years of assistance;
  - The actual turnover date;
  - The name and income status of the person who filled the vacancy;
  - If the person who took the job was not a LMI person, records to demonstrate that the job was made available to LMI persons:
    - ~ The name(s) of person(s) interviewed for the job and the date of the interview(s);
    - ~ The income status of the person(s) interviewed; and
  - Information on the family size and annual income of each LMI person hired.
- There are five suggested options for documenting the LMI status of an applicant or employee:
  - Referrals from an agency that has agreed to refer individuals who are determined to be LMI based on HUD's category. These agencies must maintain records, which must be available to the State or Federal inspection, showing the basis upon which they determined that the person was LMI;
  - A written self-certification by the employee or applicant of his/her family size and total income that is signed and dated and subject to Federal review. Certification can either include actual size and income of family or can contain a statement that the annual family income is below the Section 8 low-income limit for the applicable family size;

## APPENDIX E: Documenting the Low Mod Job Creation/Retention (LMJ) National Objective

- Qualification of employee or application for assistance under another program with income qualification that are as restrictive as those used by the CDBG program. Examples include referrals from public housing, welfare agency, or the Workforce Investment Act (WIA) program;
- Evidence that the individual is homeless; and evidence that the individual may be presumed to be LMI by way of residence address and poverty rates of applicable census tract or documentation of area designation as EZ or RC.
- When documenting income, the income status of an individual is made at the time the CDBG job is filled. This may have an effect on the retention of high-paying, unskilled jobs counting as eligible except for turnover purposes. This is because a person who occupies a high-paying but low-skilled job may not qualify as a LMI person. Whereas a LMI person may fill the job at a lower pay rate if it were created or if it became available through turnover.

### Microenterprise Activities

There is substantial flexibility in how CDBG-funded microenterprise activities can meet a National Objective. The most typical approaches are:

- Microenterprise assistance can qualify under the limited clientele criteria for LMI benefit, if the business owner is LMI. This eliminates the need to track job creation or retention. In certifying LMI status, the recipient need look only at the owner's income, not that of any employees. Furthermore, there is a 3-year presumption of LMI status to allow for continued assistance. (Note, however, that in order to qualify as an eligible microenterprise activity, the business must still meet the definition of "microenterprise" each time new financing is provided.)
- If the owner is not LMI, the recipient can still provide microenterprise assistance by meeting the LMI job creation/retention criteria.

## **Environmental Review for Activity/Project that is Categorically Excluded Subject to Section 58.5**

**Pursuant to 24 CFR 58.35(a)**

**This is a suggested format that may be used to document completion of a Categorically Excluded Subject to  
Section 58.5 environmental review.**

### **Project Information**

**Project Name:**

**Grant Recipient** (if different than Responsible Entity):

**Preparer:**

**Consultant(s)** (if applicable):

**Project Location:**

**Description of the Proposed Project** [24 CFR 50.12 & 58.32; 40 CFR 1508.25]:

**Statement of Purpose and Need for the Proposal** [40 CFR 1508.9(b)]:

**Existing Conditions and Trends** [24 CFR 58.40(a)]:

### **Compliance with 24 CFR 50.4, 58.5, and 58.6 Laws and Authorities**

Record below the compliance or conformance determinations for each statute, executive order, or regulation. Provide credible, traceable, and supportive source documentation for each authority. Where applicable, complete the necessary reviews or consultations and obtain or note applicable permits of approvals. Clearly note citations, dates/names/titles of contacts, and page references. Attach additional documentation as appropriate.

EXHIBIT F: Environmental Review Checklist, Continued

Compliance Factors: Statutes, Executive Orders, and Regulations listed at 24 CFR §58.5 and §58.6	Are formal compliance steps or mitigation required?	Compliance determinations
<b>STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 &amp; 58.6</b>		
<b>Airport Hazards</b> 24 CFR Part 51 Subpart D	Yes    No <input type="checkbox"/> <input type="checkbox"/>	<i>N/A. Albany does not have a military airport. Albany's municipal airport does not meet the definitions of a civilian airport.</i>
<b>Coastal Barrier Resources</b> Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990 [16 USC 3501]	Yes    No <input type="checkbox"/> <input type="checkbox"/>	<i>N/A. Albany is not located in a state that does not contain CBRS units, so the project complies with the Coastal Barrier Resources Act.</i>
<b>Flood Insurance</b> Flood Disaster Protection Act of 1973 and National Flood Insurance Reform Act of 1994 [42 USC 4001-4128 and 42 USC 5154a]	Yes    No <input type="checkbox"/> <input type="checkbox"/>	<i>Albany participates in the National Flood Insurance Program.</i>  <b>Is the property within a Special Flood Hazard Area? If yes, please provide documentation of insurance.</b>
<b>STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 &amp; 58.5</b>		
<b>Clean Air</b> Clean Air Act, as amended, particularly section 176(c) & (d); 40 CFR Parts 6, 51, 93	Yes    No <input type="checkbox"/> <input type="checkbox"/>	
<b>Coastal Zone Management</b> Coastal Zone Management Act, sections 307(c) & (d)	Yes    No <input type="checkbox"/> <input type="checkbox"/>	<i>N/A. This project is not located in or does not affect a Coastal Zone as defined in the state Coastal Management Plan with the Coastal Zone Management Act.</i>
<b>Contamination and Toxic Substances</b> 24 CFR Part 50.3(i) & 58.5(i)(2)	Yes    No <input type="checkbox"/> <input type="checkbox"/>	
<b>Endangered Species</b> Endangered Species Act of 1973, particularly section 7; 50 CFR Part 402	Yes    No <input type="checkbox"/> <input type="checkbox"/>	Please review the ESA guidance and list of threatened and endangered species in Oregon : <a href="https://www.hud.gov/states/shared/working/r10/environment">https://www.hud.gov/states/shared/working/r10/environment</a>
<b>Explosive and Flammable Hazards</b> 24 CFR Part 51 Subpart C	Yes    No <input type="checkbox"/> <input type="checkbox"/>	
<b>Farmlands Protection</b>	Yes    No	

## EXHIBIT F: Environmental Review Checklist, Continued

Farmland Protection Policy Act of 1981, particularly sections 1504(b) and 1541; 7 CFR Part 658	<input type="checkbox"/> <input type="checkbox"/>	
<b>Floodplain Management</b> Executive Order 11988, particularly section 2(a); 24 CFR Part 55	Yes <input type="checkbox"/> No <input type="checkbox"/>	
<b>Historic Preservation</b> National Historic Preservation Act of 1966, particularly sections 106 and 110; 36 CFR Part 800	Yes <input type="checkbox"/> No <input type="checkbox"/>	
<b>Noise Abatement and Control</b> Noise Control Act of 1972, as amended by the Quiet Communities Act of 1978; 24 CFR Part 51 Subpart B	Yes <input type="checkbox"/> No <input type="checkbox"/>	
<b>Sole Source Aquifers</b> Safe Drinking Water Act of 1974, as amended, particularly section 1424(e); 40 CFR Part 149	Yes <input type="checkbox"/> No <input type="checkbox"/>	
<b>Wetlands Protection</b> Executive Order 11990, particularly sections 2 and 5	Yes <input type="checkbox"/> No <input type="checkbox"/>	NOTES: In addition to NEPAassist, please consult <a href="https://infohub.cityofalbany.net/infohub/">https://infohub.cityofalbany.net/infohub/</a> and turn on the wetland layers under natural resources to determine whether there may be wetlands on or near the subject property.
<b>Wild and Scenic Rivers</b> Wild and Scenic Rivers Act of 1968, particularly section 7(b) and (c)	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>The Albany section of the Willamette River is not designated Wild and Scenic .</i>
<b>ENVIRONMENTAL JUSTICE</b>		
<b>Environmental Justice</b> Executive Order 12898	Yes <input type="checkbox"/> No <input type="checkbox"/>	

**Field Inspection** (Date and completed by):

**Summary of Findings and Conclusions:**

### **Mitigation Measures and Conditions [40 CFR 1505.2(c)]**

Summarize below all mitigation measures adopted by the Responsible Entity to reduce, avoid, or eliminate adverse environmental impacts and to avoid non-compliance or non-conformance with



## EXHIBIT F: Environmental Review Checklist, Continued

the above-listed authorities and factors. These measures/conditions must be incorporated into project contracts, development agreements, and other relevant documents. The staff responsible for implementing and monitoring mitigation measures should be clearly identified in the mitigation plan.

Law, Authority, or Factor	Mitigation Measure

### DRAFT Determination:

- ☐ This categorically excluded activity/project converts to Exempt, per 58.34(a)(12) because there are no circumstances which require compliance with any of the federal laws and authorities cited at §58.5. **Funds may be committed and drawn down after certification of this part** for this (now) EXEMPT project; OR
- ☐ This categorically excluded activity/project cannot convert to Exempt because there are circumstances which require compliance with one or more federal laws and authorities cited at §58.5. Complete consultation/mitigation protocol requirements, **publish NOI/RROF and obtain “Authority to Use Grant Funds”** (HUD 7015.16) per Section 58.70 and 58.71 before committing or drawing down any funds; OR
- ☐ This project is now subject to a full Environmental Assessment according to Part 58 Subpart E due to extraordinary circumstances (Section 58.35(c)).

Preparer Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name/Title/Organization: \_\_\_\_\_

\_\_\_\_\_

This original, signed document and related supporting material must be retained on file by the Responsible Entity in an Environmental Review Record (ERR) for the activity/project (ref: 24 CFR Part 58.38) and in accordance with recordkeeping requirements for the HUD program(s).



## COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAMS

333 Broadalbin Street SW, PO Box 490, Albany, Oregon 97321-0144 | PLANNING 541-917-7550; [cd.customerservice@cityofalbany.net](mailto:cd.customerservice@cityofalbany.net)

### Subrecipient Activity File Checklist

The following checklist includes required and recommended documentation to keep in CDBG-funded activity files. Items with citations are required by Federal rules ([24 CFR 570 Subpart J](#) and [Subpart K](#), and 2 CFR 200 [Subpart D Financial Management and Internal Controls](#) and [Subpart E](#) Federal Cost Principles). Documentation of agency administrative policies/procedures help the City assess whether the agency has adequate and effective internal control systems to ensure funds are used for eligible activities and expenses and in compliance with CDBG and federal standards.

#### Administrative Systems and Internal Controls

- Articles of Incorporation/Bylaws
- Board of Directors Roster (Current) and handbook (if applicable)
- Organizational Chart
- Job Descriptions/Resumes for positions funded with CDBG
- Insurance Coverage (approved by city risk assessor and renewals)

#### Required Policies and Procedures (Please contact City staff for sample policies and procedures):

- Procurement or Purchasing Policies/Procedures [*§200.318-324*] - *could be in financial procedures*
- Conflict of Interest Policy [*§200.318(c)(1) and §570.611*]
- Non-Discrimination Policy [*§570.602 & 618*]- to comply with all Civil Rights Acts and Executive Orders, and Oregon law.
- Grievance/Termination Policies – staff and clients [*§570.607(a)*]
- Record Retention Policy [*§570.506*]
- Confidentiality Policy [*§200.303(e)*]

#### Financial Management Systems

- Current Approved Budget
- Chart of Accounts [*§200.302(b)*] or ledgers identifying where CDBG \$ is received and expended and the programs under which they were received, if applicable
- Financial procedures/internal controls over financial transactions
- Financial reports (profit/loss statements)
- Reimbursement Requests include documentation (receipts, income/expense reports, payroll )
- Payroll records – timesheets, salaries
- Program Income Ledger and/or Revolving Loan Fund Ledger [*as defined in §570.500(a) and §570.504*] – if applicable for loan repayments, sale or lease of property purchased with CDBG, etc.)
- Most recent Form 990 or Form 990-N (with application)
- Most recent Audit if federal expenditures exceed \$750,000 [*§200.501*]

**[www.cityofalbany.net/cdbg](http://www.cityofalbany.net/cdbg) - visit the "For Agencies" tab**  
**<https://www.hudexchange.info/programs/cdbg-entitlement/>**



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### **CDBG and Federal Regulations Compliance**

IRS 501(c)3 Tax Exempt Letter for Nonprofits

Duns # and SAM.GOV active status

Application - signed CDBG Certifications; authorization to request funds [*\$200.324(c)*, *\$200.415*],

CDBG Award Letter/Email

Environmental Review Record [*\$58.34(a)* and *\$570.604*] - *Supplied by City*

**Subrecipient Agreement [*\$570.503(a)*] – Signed executed copy supplied by City**

Amendments to Subrecipient Agreement – *Signed executed copy supplied by City*

*\$570* and *\$200* certifications in the Subrecipient Agreement (**ensure agency complies with these!**)

Anti-Lobbying Certification [*\$200.415(d)*]

Anti-discrimination [*\$570.602*]

Equal Employment Opportunity [*\$570.607*]

ADA/Section 504 Compliance [*\$570.614*] – facility accessibility

Record Retention [*\$570.506* and *\$200.334-338*]

Others as required by the Subrecipient Agreement

### Other 570 Subpart K Requirements when applicable:

Fair Housing Act Compliance [*\$570.601-602*] – housing activities policies and procedures

Lead-Based Paint Compliance [*\$570.608*] – housing activities policies and procedures

Davis Bacon and Related Acts compliance – construction contracts over \$2,000, excluding residential rehab of less than 8 units

Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 – compliance with City Relocation Plan and Act

Use of Debarred or Ineligible Contractors [*\$570.609*]

Section 3, Women and Minority owned Businesses Employment [*\$570.904* and *200.321*]

### **Performance Outcomes/Client Documentation (24 CFR 570.506)**

Quarterly Performance Reports- progress towards activity outcomes, number of persons assisted during reporting period and achieving activity objectives, issues, etc. [*\$200.329*]

Client Intake Forms and/or Client Certification Forms (Individuals or Households for housing activities) that documents income, race, ethnicity, etc.

HUD Income Limits Chart **with Date** - *Supplied by City and on Client Certification Forms*

Income verification for clients not presumed to be low-mod

Annual Report and Closeout Certification [*\$200.344* and *200.415(a)*]

**[www.cityofalbany.net/cdbg](http://www.cityofalbany.net/cdbg) - visit the "For Agencies" tab**  
**<https://www.hudexchange.info/programs/cdbg-entitlement/>**