Economic Development Department

CDBG Subrecipient Reporting Training

The City of SAN DIEGO

Introductions

- Project Managers
- Business Operations and Support Services Staff
- Monitoring and Compliance Staff

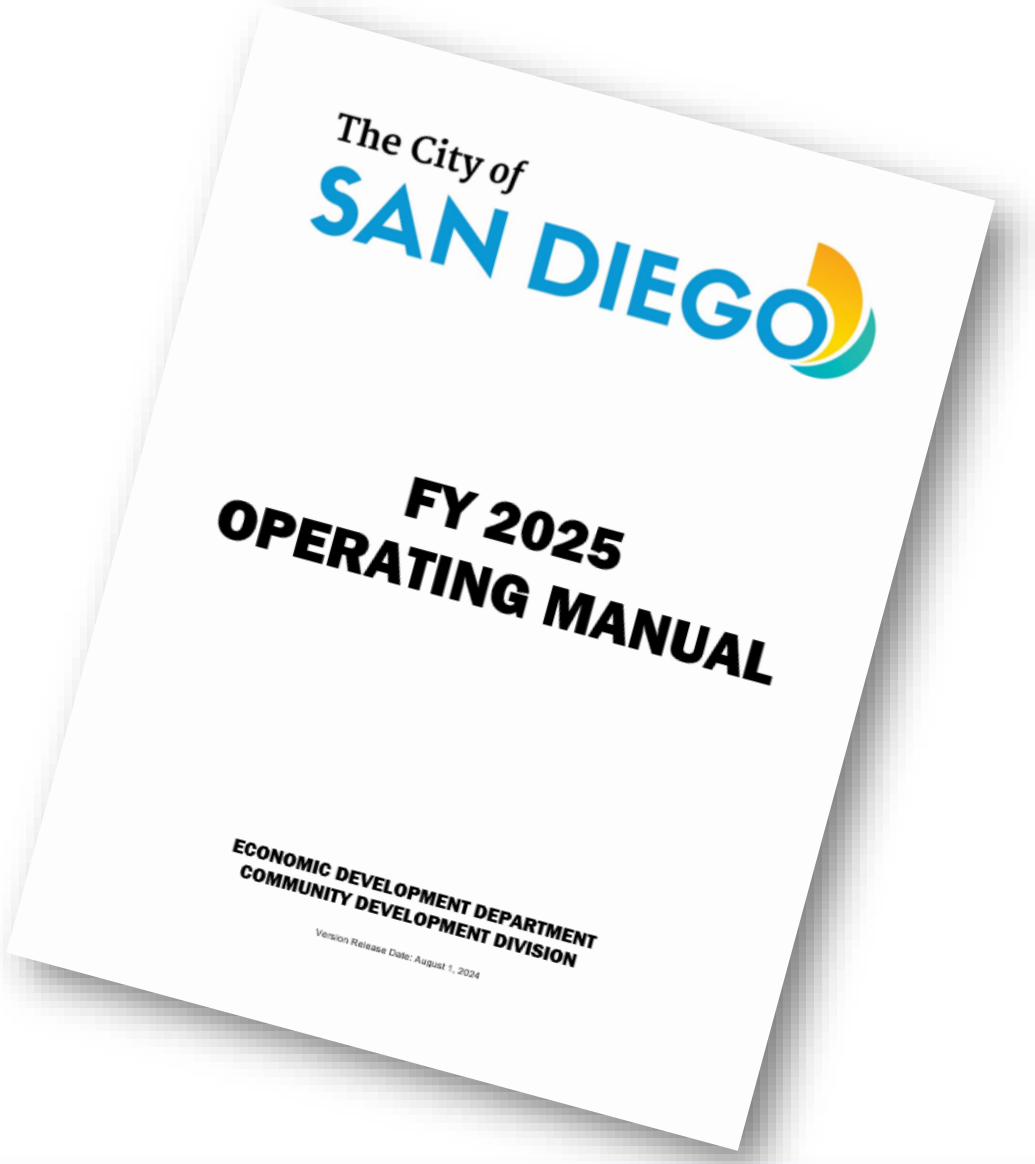
Agenda

- Program Requirements
- Fiscal Requirements
- Monitoring
- ED Grants Demo
- Q & A

A Word on the Operating Manual…

- Incorporated into subrecipient agreement
- Covers applicable Federal and City of San Diego regulations and requirements
- Represents minimum requirements and controls that must be embodied within subrecipient accounting, internal controls, and financial reporting systems

READ the Operating Manual!!



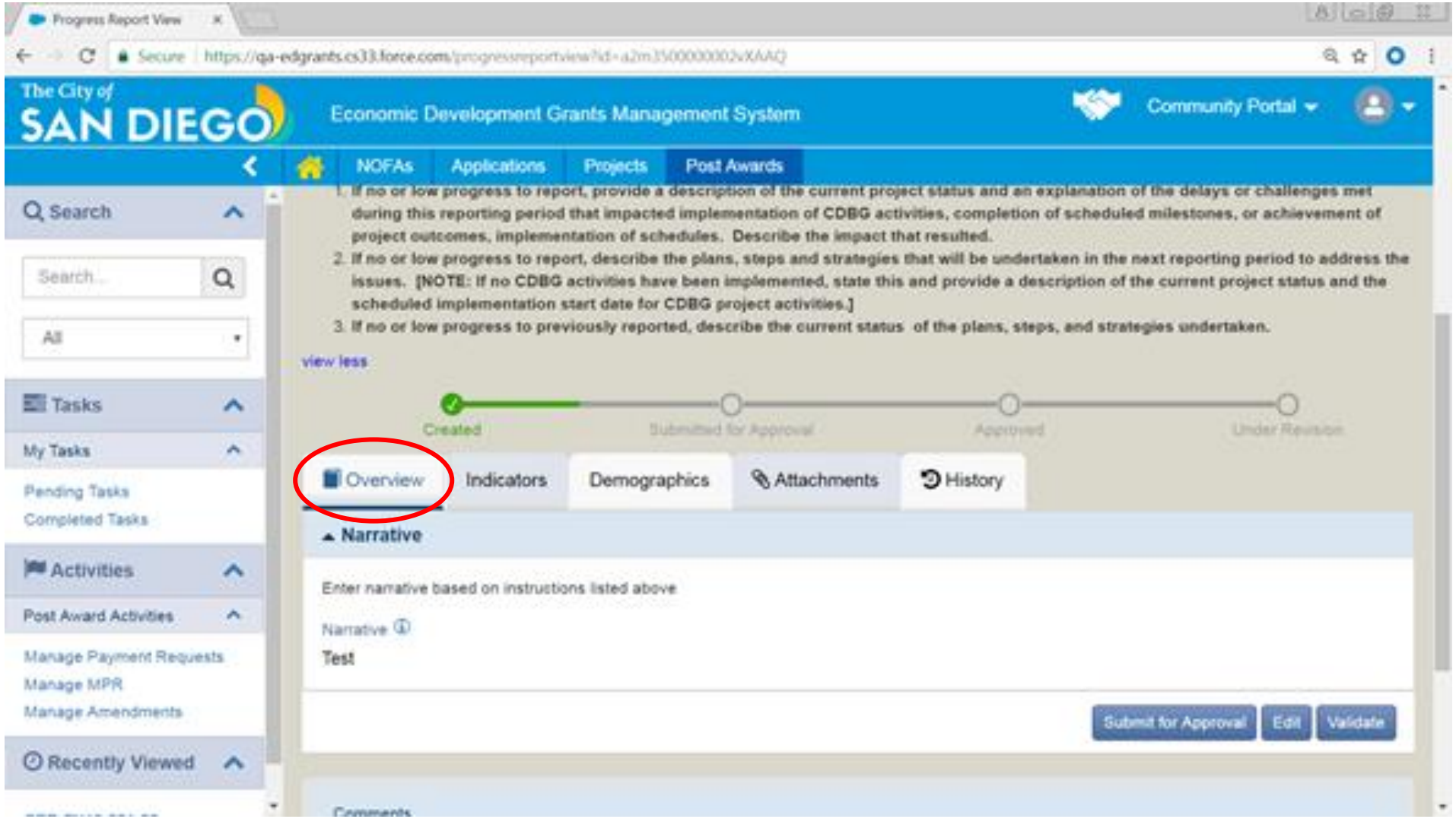
Monthly Programmatic Reports (Pages 31-33)

- Monthly Programmatic Reports (MPRs) due on or before 15th of each month for prior month
- Provides statistics on individual clients or households served or businesses assisted
  - ✓ Demographic information
  - ✓ Income levels
- Provides narrative updates/explanations and descriptions of accomplishments during reporting period

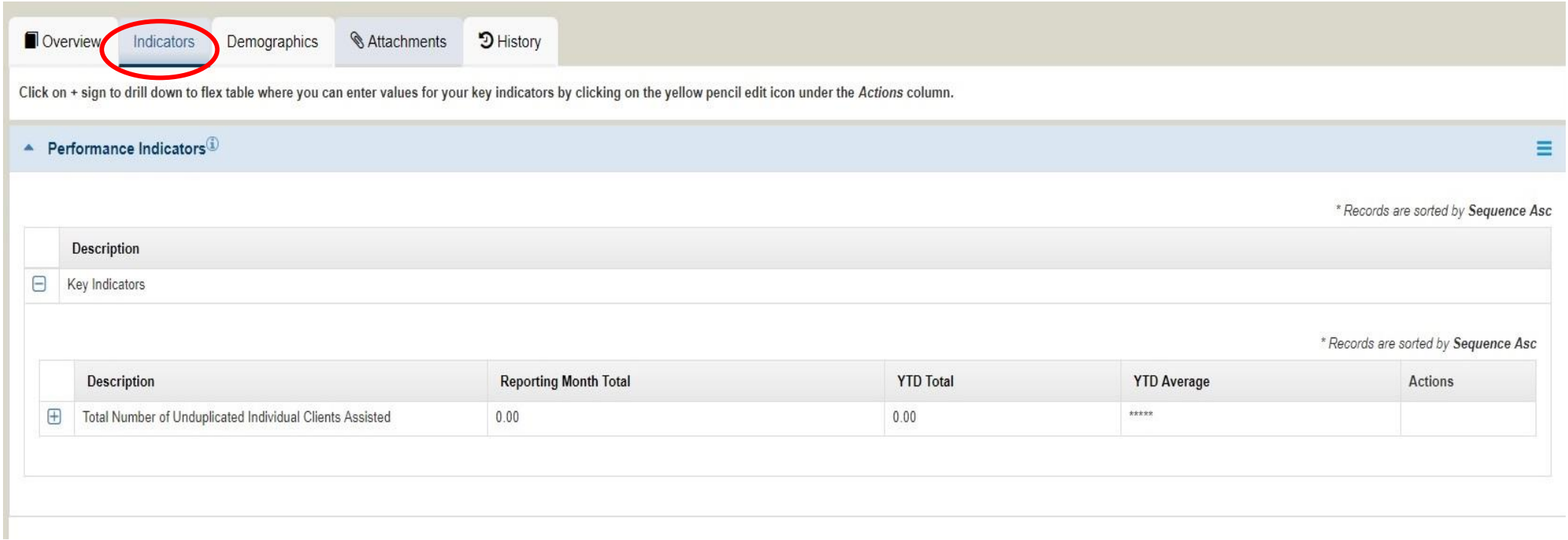
Monthly Programmatic Reports

- Track timely progress of project implementation
- Ensure activities conform with scope of work and expenditures are eligible
- Ensure RFRs commensurate with reported activities and accomplishments
- Ensure compliance with all Federal and City of San Diego requirements
- Identify any issues for corrective actions

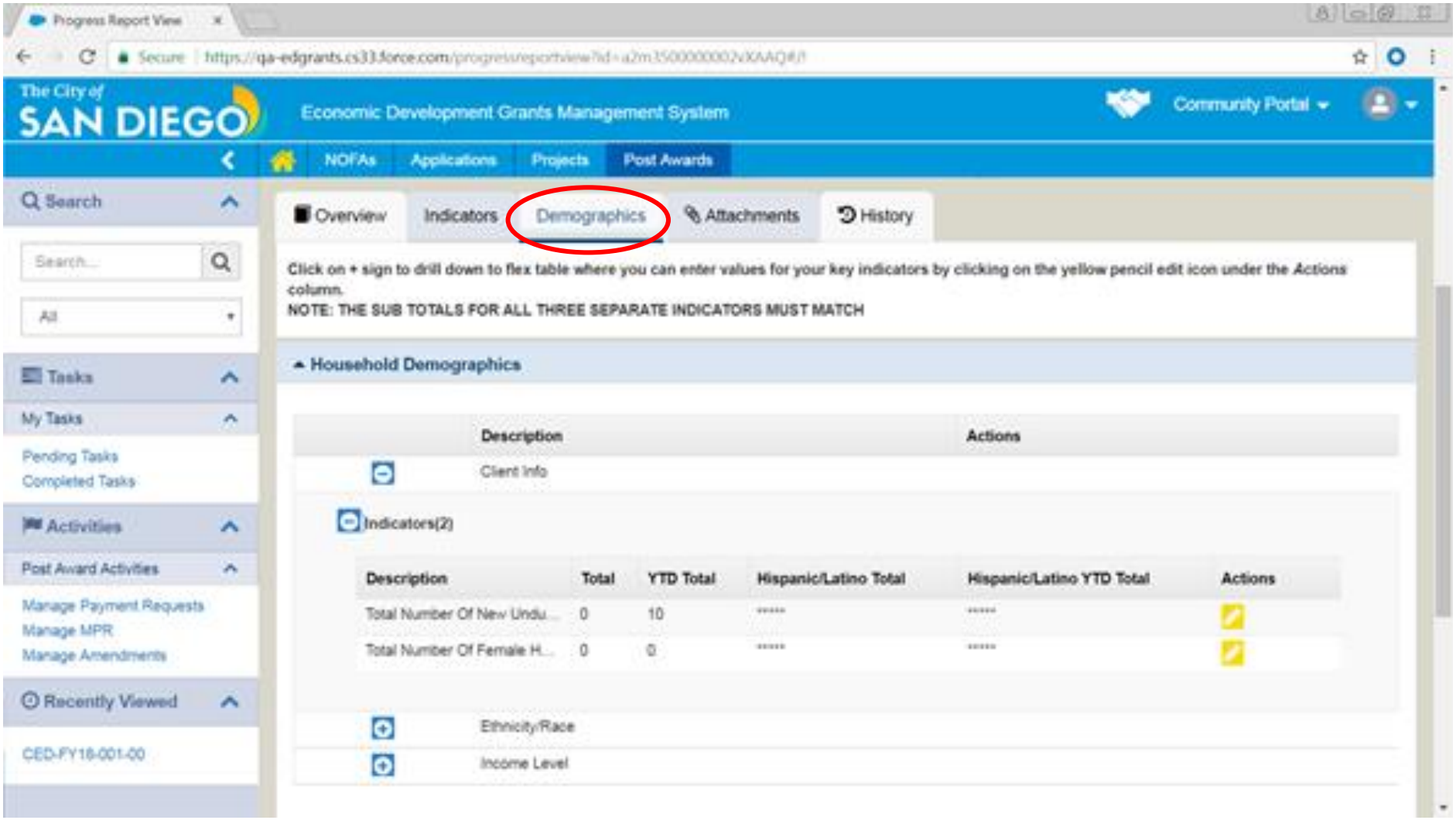
Monthly Programmatic Reports



Monthly Programmatic Reports



Monthly Programmatic Reports



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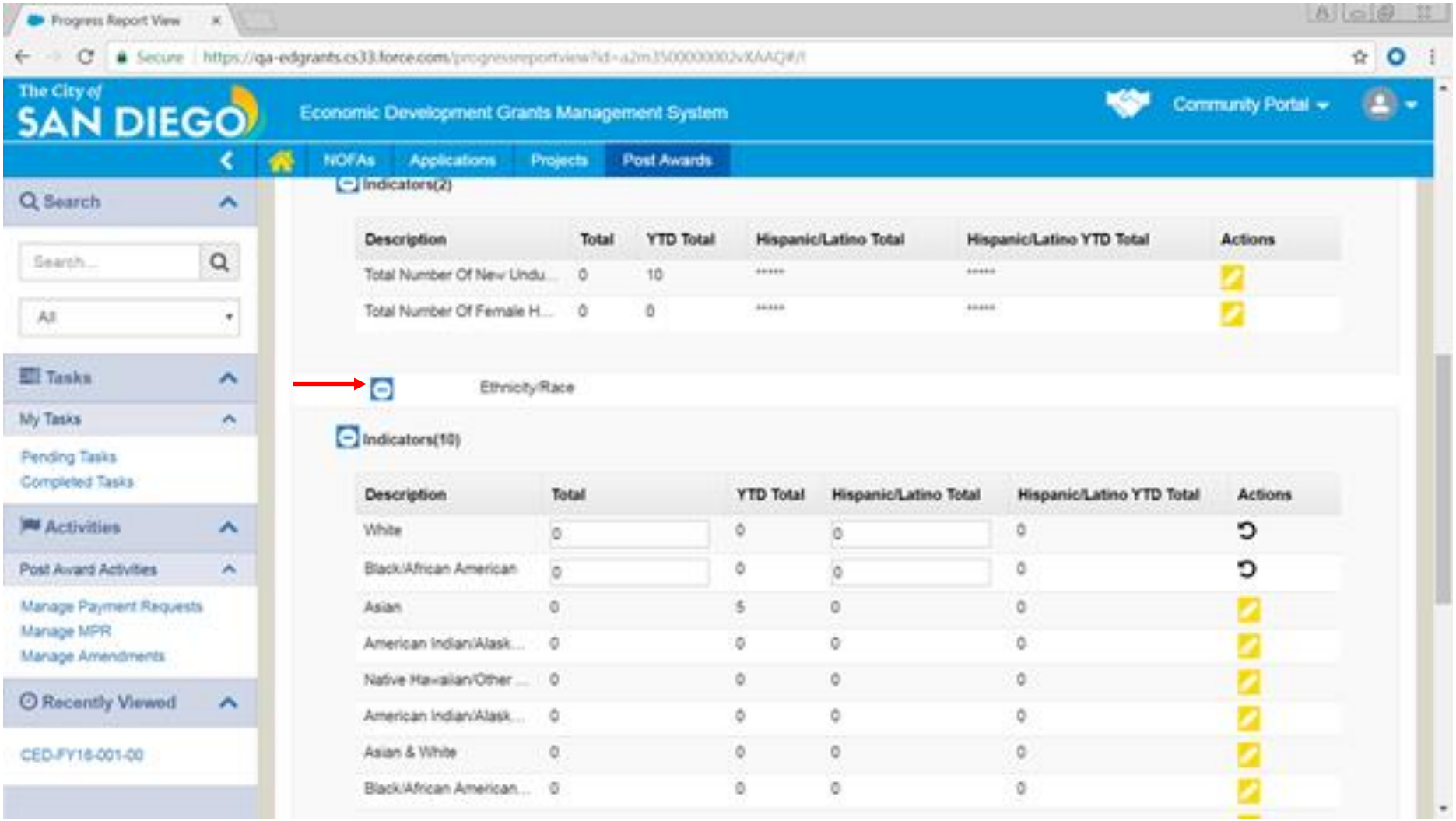
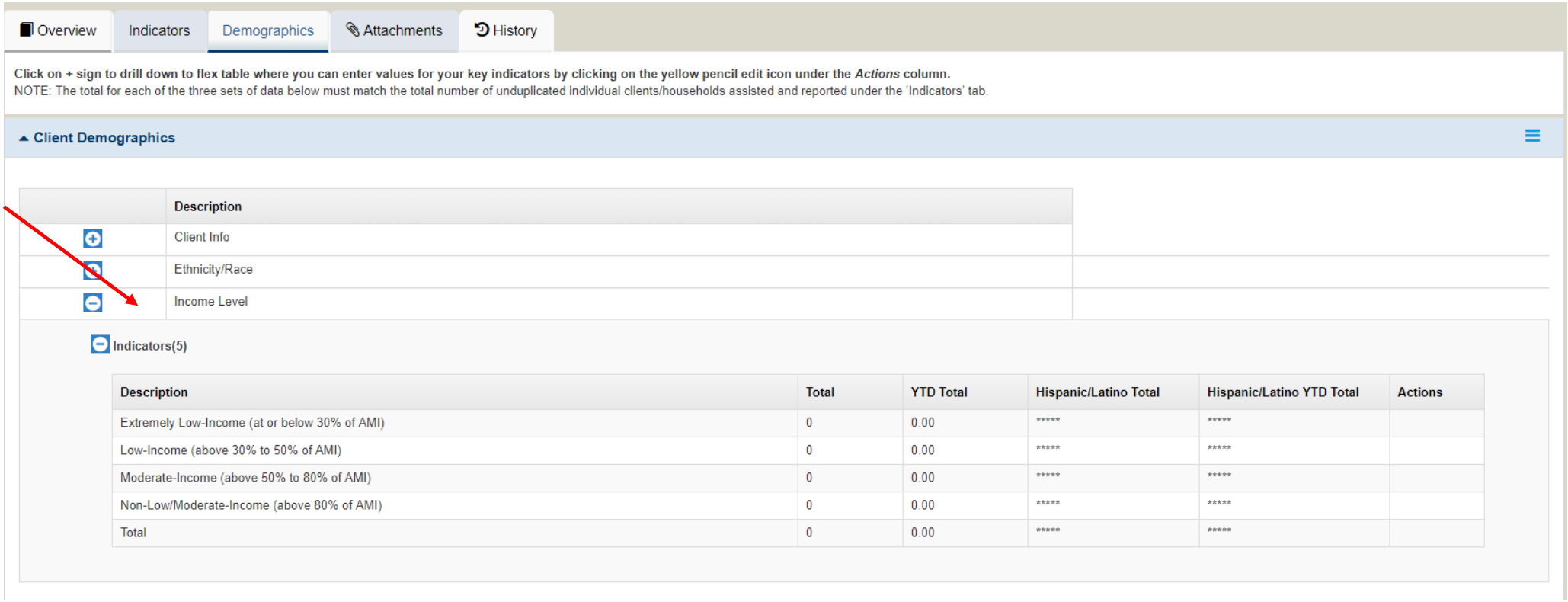


Monthly Programmatic Reports



Overview | Indicators | Demographics | Attachments | History

Click on + sign to drill down to flex table where you can enter values for your key indicators by clicking on the yellow pencil edit icon under the *Actions* column.
NOTE: The total for each of the three sets of data below must match the total number of unduplicated individual clients/households assisted and reported under the 'Indicators' tab.

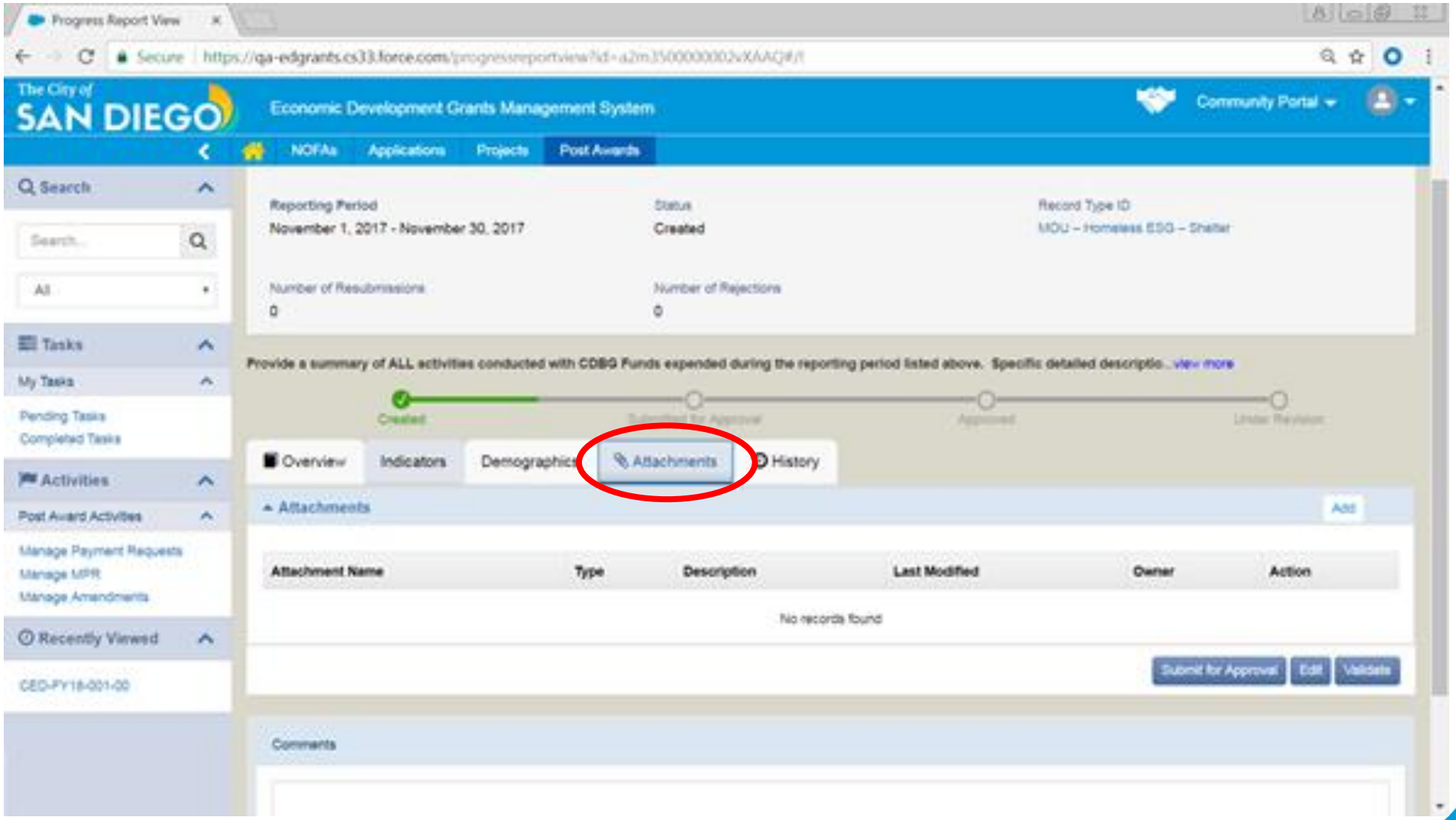
Client Demographics

	Description
⊕	Client Info
⊕	Ethnicity/Race
⊖	Income Level

Indicators(5)

Description	Total	YTD Total	Hispanic/Latino Total	Hispanic/Latino YTD Total	Actions
Extremely Low-Income (at or below 30% of AMI)	0	0.00	*****	*****	
Low-Income (above 30% to 50% of AMI)	0	0.00	*****	*****	
Moderate-Income (above 50% to 80% of AMI)	0	0.00	*****	*****	
Non-Low/Moderate-Income (above 80% of AMI)	0	0.00	*****	*****	
Total	0	0.00	*****	*****	

Monthly Programmatic Reports



Project Closeout and Tips (Page 34)

- Closeout Programmatic Reports to summarize entire project and act as check to MPRs
- Tips/Advice
  - ✓ Review your records management and documentation procedures to ensure data for reporting is being captured accurately;
  - ✓ Use Operating Manual to verify proper records on file and readily accessible; and
  - ✓ Keep files and records neat and logically arranged → audits/onsite visits can occur any time.

Fiscal Requirements (Pages 47-73)

- Request for Reimbursement (RFRs) due on or before 15th of each month for prior month;
- Anticipate RFRs to be processed within 30 days unless submitted late; and
- Provide complete details and supporting documents to avoid processing delays and/or disallowances.

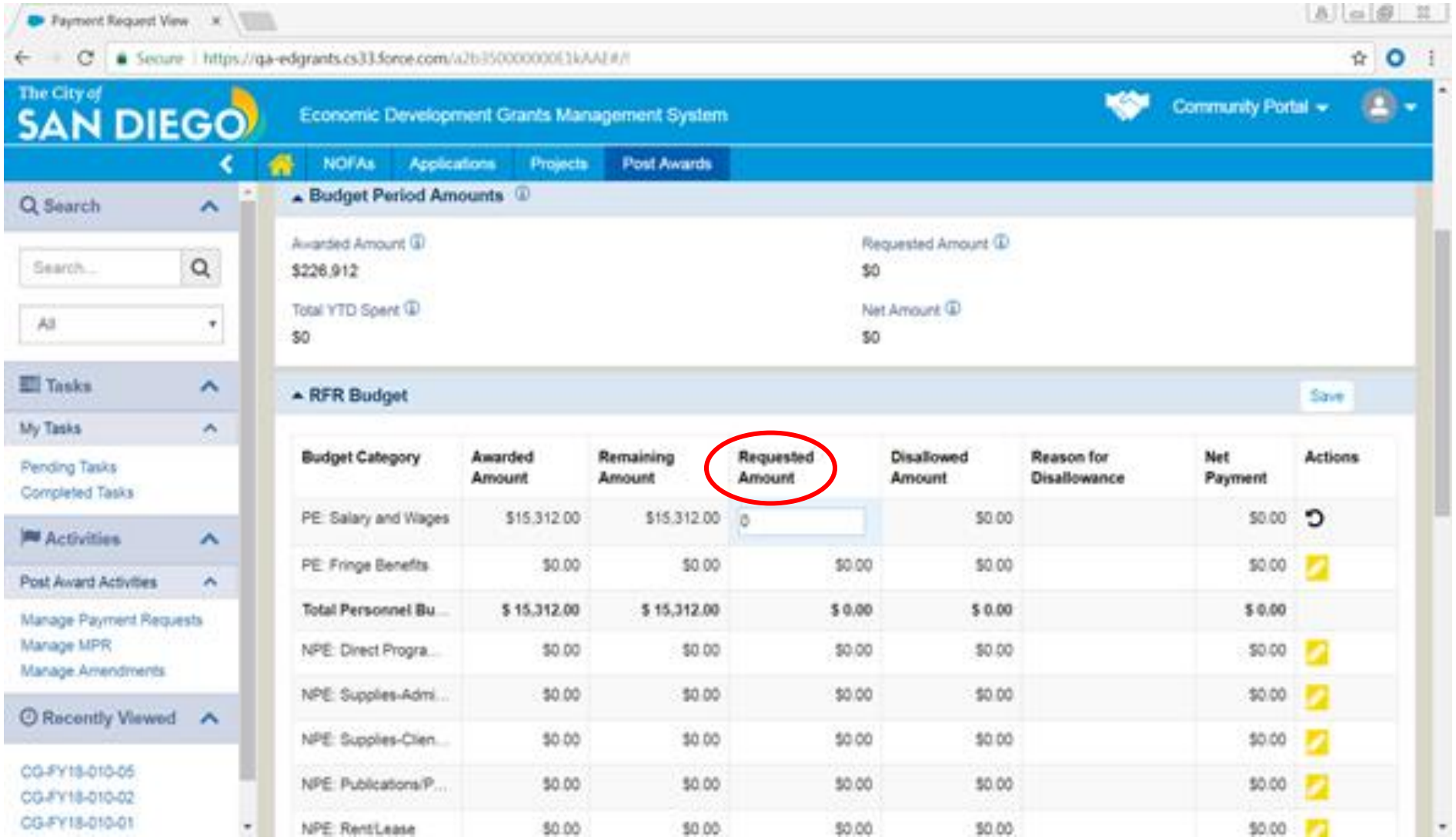
Expenditures

- Expenditures should be based on approved scope of work and budget included in executed CDBG agreement;
- New line items cannot be added;
- Include only expenditures **paid** within reporting period; and
- Administrative supplies must be purchased before January 2025.

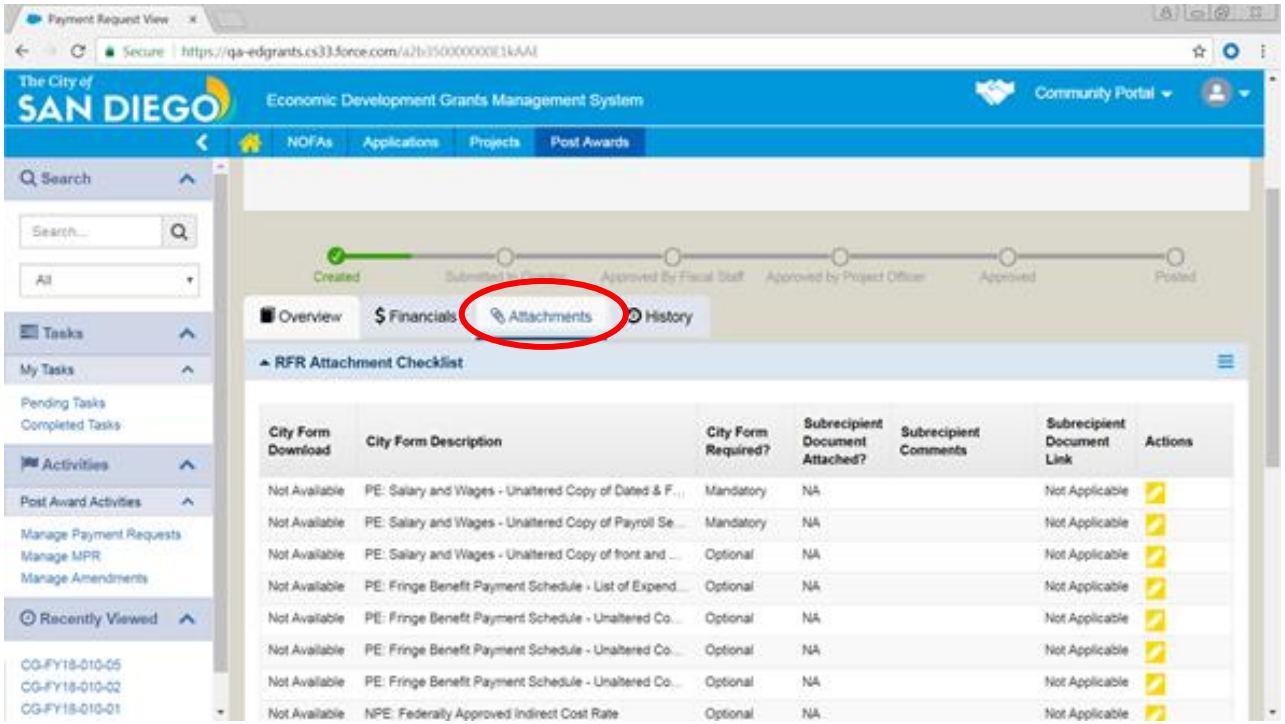
Expenditures

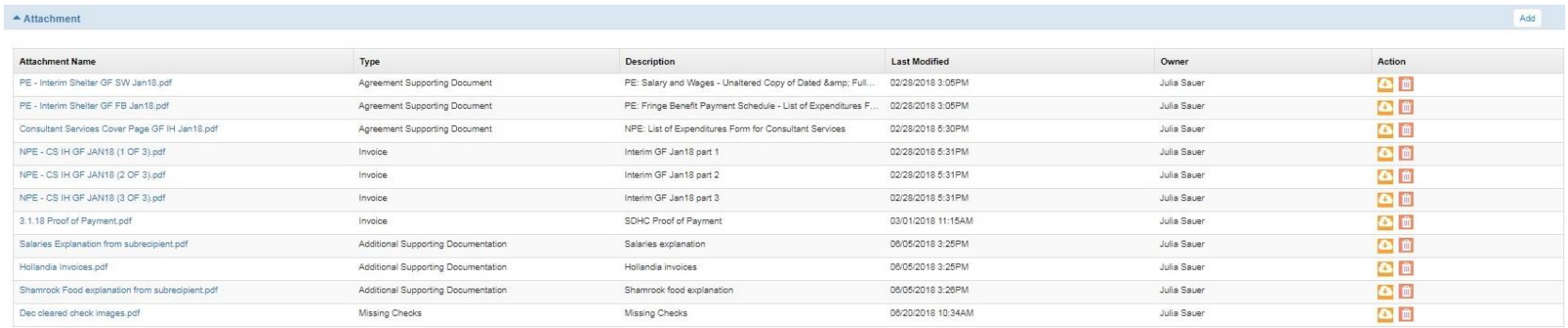
- Only enter amounts into ED Grants to be reimbursed;
- Include “re-submittal” disallowed expenditures from prior reporting period, as applicable; and
- Disallowances from a previous RFR must be submitted with the next month’s RFR.

Expenditures

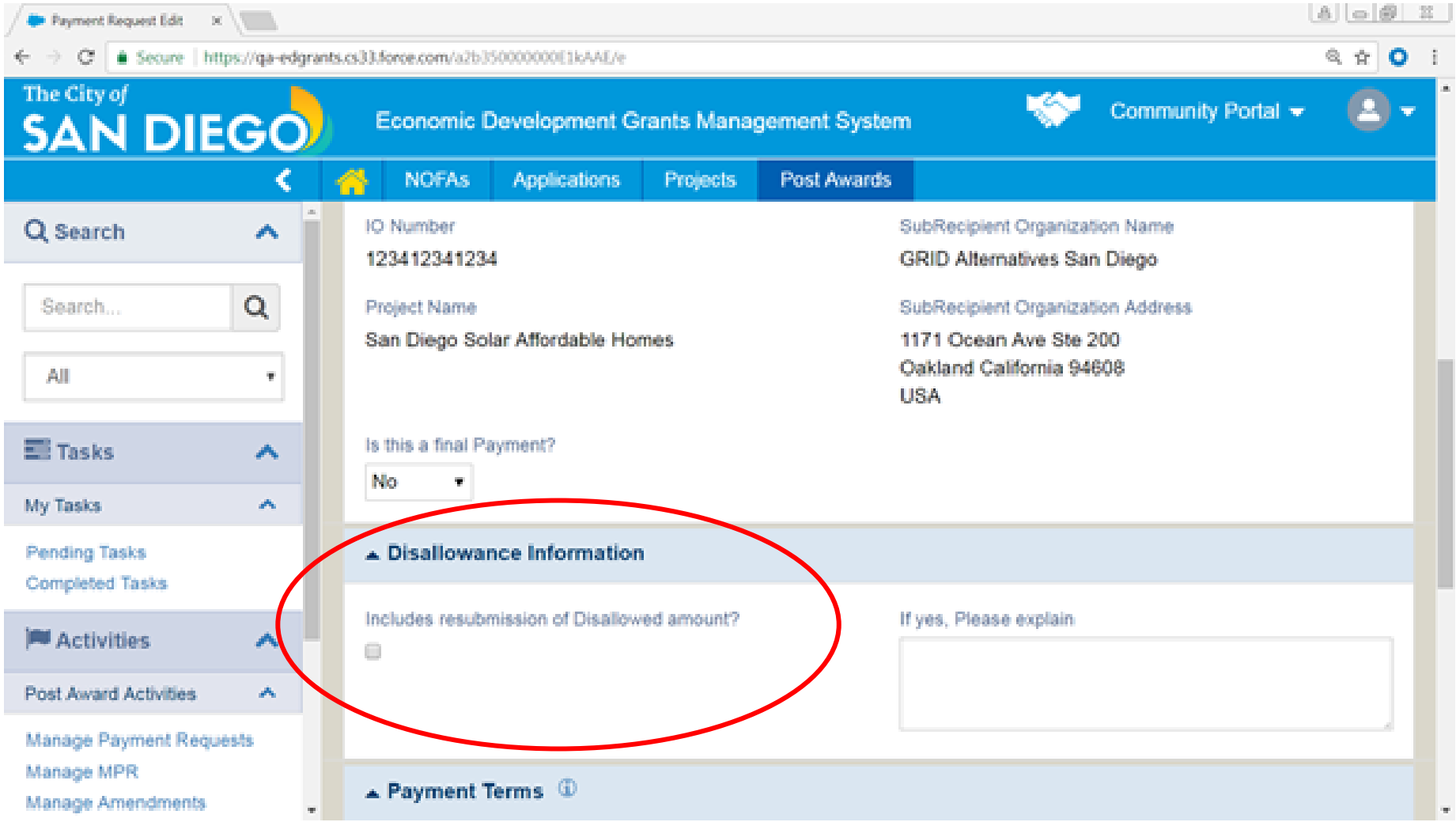


Expenditures

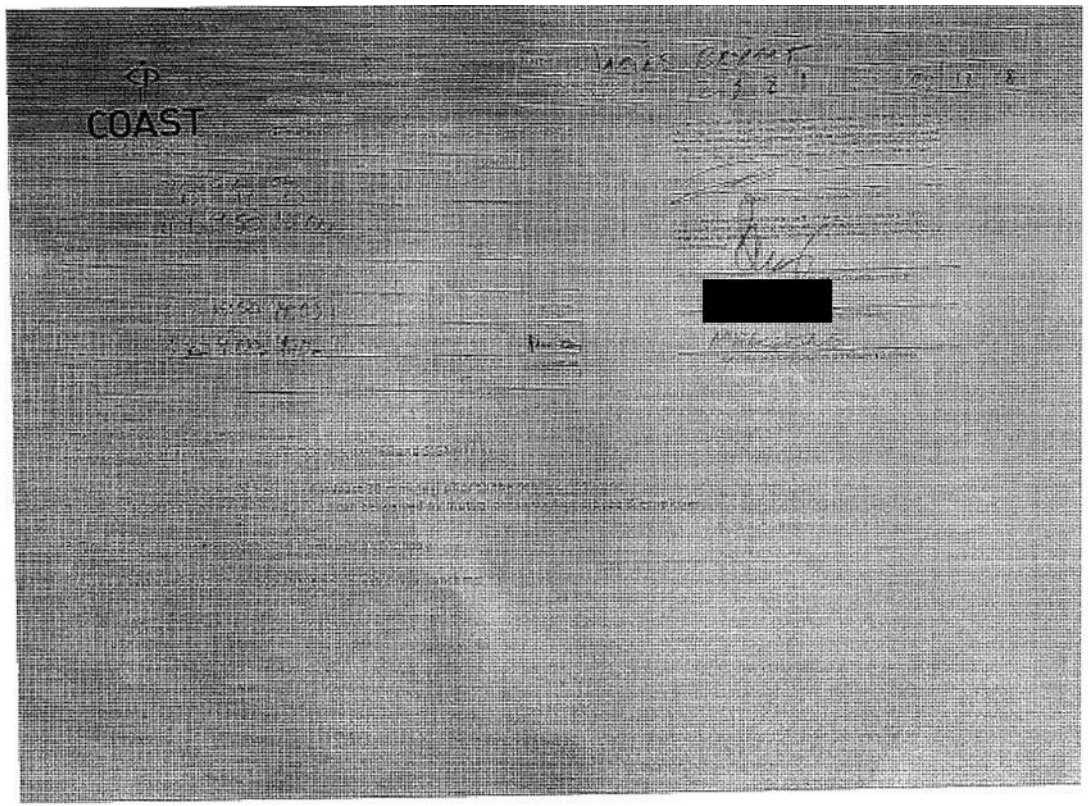


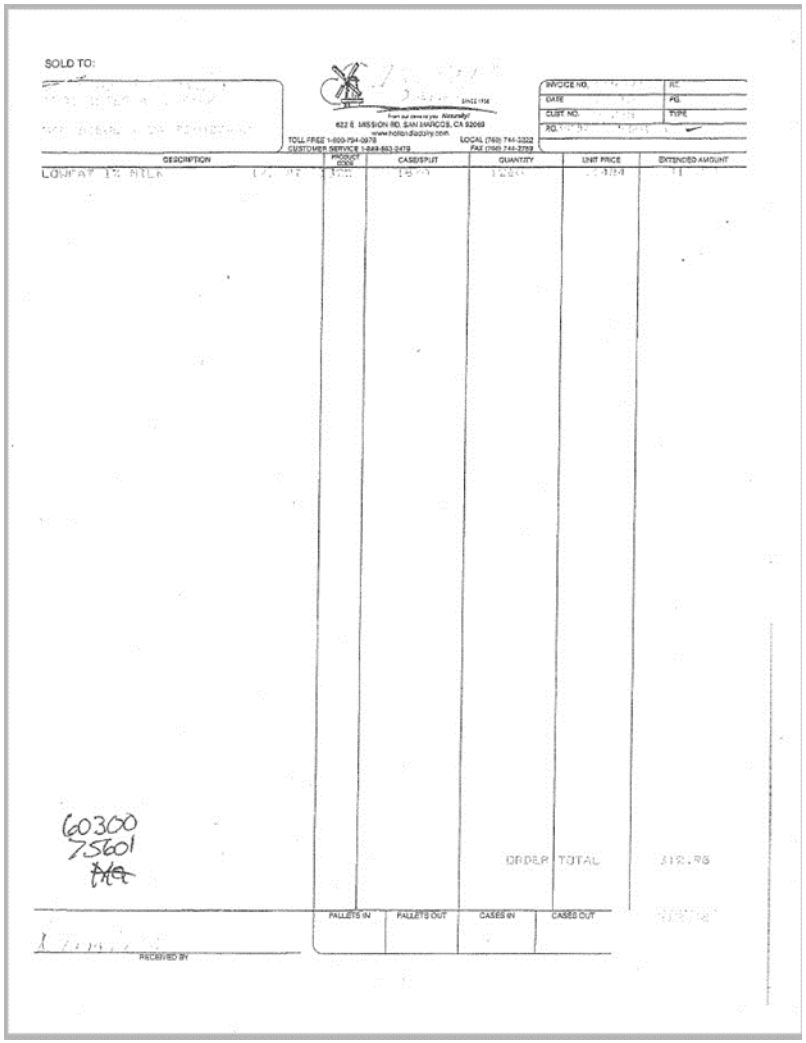


ED Grants – Resubmitting Disallowed Amounts



Unacceptable – Will be disallowed





Supporting Documentation (Pages 49-55)

- Subrecipient must maintain original copies and present them when requested by City or federal staff; and
- All RFRs submitted must have supporting documents
  - ✓ Legible and not altered
  - ✓ Detailed description of what's being claimed
  - ✓ Include all pages of invoices.

Supporting Documentation (Pages 49-55)

- Submit only relevant supporting documents;
- Missing supporting documents and/or ineligible expenditures will result in disallowances; and
- Proof of payment must be submitted
  - ✓ Bank statements **OR**
  - ✓ Canceled checks.

General Fiscal Policies (Pages 55-66)

- Increases to overall project budget in CDBG agreement is not allowed;
- Budget line items should not be exceeded, unless a budget amendment is approved; and
- Amounts cannot be moved between categories (Personnel to Non-personnel expenses) in a budget amendment.

Year-End Fiscal Reports (Pages 61-63)

- Financial Summary Report;
- Property Records Report (if applicable);
- Audited Current Financial Statements/Single Audit;
- Audit Certificate of Compliance; and
- Year-End Confirmation of Project Expenditures by Funding Source.

Monitoring (Pages 75-79)

- City staff will conduct desk audits (Monthly Programmatic Reports; Requests for Reimbursement) and on-site General Site Visits;
- Construction Projects: Certified Payroll Reports / Worker Interviews;
- Program Monitoring Reviews, Fiscal Monitoring Reviews, and Real Property Disposition Monitoring Reviews will be conducted on-site or remotely;
- Notifications of monitoring review results will be issued; required actions related to Concerns or Findings identified will be included in the notification; and
- Concerns or Findings resulting from monitoring reviews may impact performance report card of subrecipients.

Program Monitoring Review

The following areas to be covered include, but may not be limited to:

- Service Delivery Processes;
- Organization Policies and Procedures;
- Records Maintenance Systems;
- Selected Project Participant Files; and
- Original Source Documentation for Monthly Programmatic Reports.

Fiscal Monitoring Review

The following areas to be covered include, but may not be limited to:

- Financial Management;
- Internal Controls;
- Payment Reporting;
- Program Income;
- Records Retention;
- Equipment Management and Disposition; and
- Board Financial Oversight.

Real Property Disposition Monitoring Review

Real Property Disposition Monitoring Reviews will also be conducted on construction projects completed in prior fiscal years to determine the following:

- Whether the ownership status changed;
- Whether rent or client fees were collected resulting from the CDBG improvements completed and what the current rent charges are for multi-family housing projects;
- Whether the use of the property or beneficiaries changed;
- Whether CDBG improvements completed are being properly maintained; and
- Whether original source documentation of National Objectives eligibility continue to be properly maintained.

A Word on Timeliness…

- Entitlement jurisdictions are required to use their CDBG funds in a timely manner;
- HUD timeliness standard = no more than 1.5 times the entitlement amount; and
- Unspent subrecipient funds can place the entire CDBG program into noncompliance.

City Strategy

- Select organizations with capacity;
- Contractual timeliness requirements; and
- Sanctioning untimely subrecipients.

What Can You Do?

- Identify the cause of any backlog;
- Identify actions to take and expected results; and
- Develop a milestone schedule and expenditure projection.

Performance Indicators (up to -2.5 points)

Assessment Area	Indicators	Standards
Fiscal Performance	• Balance of Award at Closeout ($) • Total Disallowances at Closeout ($) • Number of Disallowances Processed (#)	• Award Balance ≥ 10% (-0.50 point) • Total Disallowances ≥ 10% (-0.25 point) • Disallowance Frequency ≥ 50% (-0.25 point)
Programmatic Performance	• Number of Clients Served OR • Number of Projects Completed	• 51-79% of target met (-0.50 point) • ≤ 50% of target met (-1.0 point)
Leveraged Funding	• Stated RFP Funding vs Actual Closeout Funding	• Discrepancy > 25% (-0.5 point)

Leveraged Funding

d. Budget lists all other funding sources secured for project, submits documentation for each source listed, and percent of funds leveraged (calculated by: other secured funding/total project costs) is: 0% – 5% (0 points) 6% – 20% (1 points) 21% – 40% (2 points) 41% – 60% (3 points) 61% – 80% (4 points) 81% – 100% (5 points)	*(CDD score)*	5

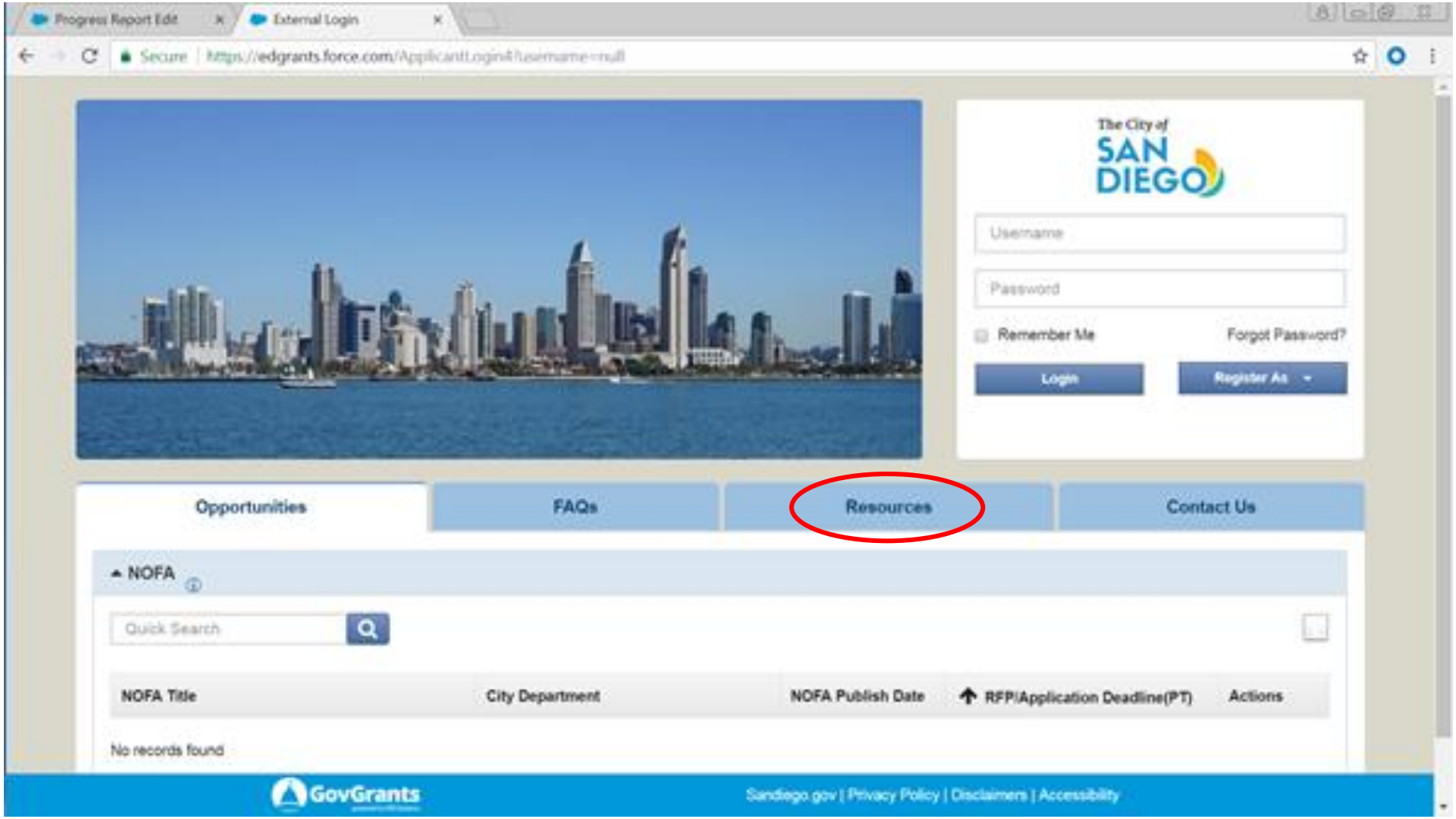
ED Grants

- All MPRs, RFRs, and Budget Amendments to be submitted via ED Grants;
- Only one MPR, RFR, or Budget Amendment may be “pending approval” at a time;
- ED Grants to track timely submissions, disallowances, and revisions for performance evaluation purposes; and
- All supporting documents to be uploaded to ED Grants.

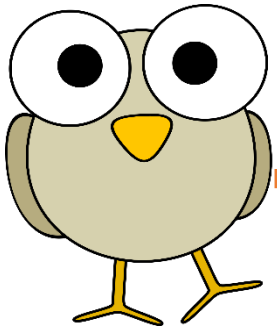
Resources

- Operating Manual
- *Playing by the Rules* Handbook by HUD
- CPD Income Eligibility Calculator
- 2 CFR 200.302 through 200.303
- CDD Technical Assistance
- Mandatory Fair Housing Training
- CDBG@sandiego.gov

ED Grants "Resources" Tab



https://edgrants.force.com/ApplicantLogin4



Thank you