

Guide for Review of Subrecipient Management			
Name of Participating Jurisdiction (PJ):			
Staff Consulted:			
Name(s) of Reviewer(s):		Date:	

NOTE: All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance. All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the reviewer in understanding the participant's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a "finding."

Instructions: This Exhibit is designed to evaluate a PJ's compliance with HOME requirements for subrecipients. It is divided into eight sections: Subrecipient Management and Training Systems; Internal Controls; Subrecipient Agreements; Reporting; On-Site Monitoring by the PJ; Program Income Monitoring; On-Site Review of Subrecipients by HUD; and Summary. Section C of this Exhibit is intended to be completed using the results of individual subrecipients reviewed in Exhibit 7-18.

As specified in 24 CFR 85.40 and 24 CFR 92.504(a), PJs are responsible for monitoring the day-to-day operations of subrecipient activities to assure compliance with applicable Federal requirements and that performance goals are being achieved. PJ monitoring must cover each program, function, or activity. The HUD review should begin at the PJ level, and if time and resources permit, a selected sample of subrecipients should be monitored on-site, using the sampling guidance in Section 7-4 of the Chapter introduction. HUD reviewers should feel free to adapt pertinent exhibits elsewhere in this Chapter to augment subrecipient monitoring when reviewing a program or projects carried out by subrecipients.

Questions:

A. SUBRECIPIENT MANAGEMENT AND TRAINING SYSTEMS

1.

Does the PJ have a management system for the oversight of its subrecipients? If "yes," briefly describe below and, if the PJ has a written description of its subrecipient management policies or systems, attach a copy. [24 CFR 92.505 and 24 CFR 85.20(b)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion: 	

2.

a. Does the PJ review the performance of each subrecipient annually? [24 CFR 92.504(a)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

b. If the answer to “a” above is “yes,” describe the PJ’s processes for ensuring the annual reviews.
Describe Basis for Conclusion:

Subrecipient Profile

3.

How many subrecipients did the PJ commit to provide HOME funds to during the program year or years being examined?				
Describe Basis for Conclusion: <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;"><u>Program Year</u></td> <td style="width: 50%;"><u>Number of Subrecipients</u></td> </tr> <tr> <td style="height: 100px;"></td> <td></td> </tr> </table>	<u>Program Year</u>	<u>Number of Subrecipients</u>		
<u>Program Year</u>	<u>Number of Subrecipients</u>			

4.

a. What is the total amount of HOME funds the PJ committed to all of its subrecipients during the most recent program year?
Describe Basis for Conclusion:

b. Of the amounts committed in 2.a. above, what amounts remain unexpended?
Describe Basis for Conclusion:

c. For program years being reviewed, what amount of HOME funds committed to subrecipients remains unexpended? (List by program year below and then tally.)
Describe Basis for Conclusion:

5.

Compare the PJ's subrecipient records with information the PJ entered in IDIS for the years being reviewed. Are there any discrepancies? [24 CFR 92.502, 24 CFR 92.504 (c)(2)(viii)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion:		

6.

a. Does the PJ have a method to ensure that subrecipients comply with the HOME program requirements applicable to them and to the projects they are carrying out? [24 CFR 92.504(a)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion:		

b. If the answer to "a" above is "yes," describe the steps taken by the PJ to inform subrecipients regarding applicable HOME program requirements?
Describe Basis for Conclusion:

7. Describe the technical assistance/training the PJ has provided during the program years being reviewed:

Subrecipient Name	Person(s) Trained	Topics	Date(s)

8.

Has the PJ provided appropriate resource materials to its subrecipients (e.g., regulations, OMB Circulars, CPD Notices, Building HOME manual, <i>Technical Guide for Determining Income and Allowance for the HOME Program</i>)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: 	

9.

How does the PJ ensure that subrecipients maintain adequate records to comply with program requirements, including record retention? [24 CFR 92.504(a) and 24 CFR 92.508]
Describe Basis for Conclusion:

B. INTERNAL CONTROLS

10.

Does the PJ have a system or some other method to ensure that subrecipients' financial management systems are kept in accordance with 24 CFR 85.20(b) or 24 CFR 84.21(b)(3), as applicable?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion:		

11.

a. Has the PJ established qualifications for the persons who conduct financial reviews of subrecipients?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion:		

b. If the answer to "a" above is "yes," describe the qualifications.
Describe Basis for Conclusion:

12.

If any subrecipient employees work on both HOME and non-HOME projects, does the PJ have a system to ensure that the subrecipient keeps appropriate time distribution records and makes appropriate charges to the HOME program?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

13.

Does the PJ have a system or other method to ensure compliance by subrecipients with the procurement and/or subcontracting requirements of 24 CFR 85.36 or 24 CFR 84.40 - 48, as applicable? (If yes, describe the system or method.)	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

14.

a. Are OMB Circular A-133 Single Audits required for any of the PJ's subrecipients? [24 CFR 92.505]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

b. If the answer to "a" above is "yes," does the PJ have a system or methodology to ensure that such audits are conducted?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

c. If A-133 audits are required for any of the PJ's subrecipients, does the PJ review the audits for compliance with the requirements of OMB Circular A-133? (If "yes," describe process.) [24 CFR 85.26(b)(1)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

15.

<p>a. Does the PJ assess the performance of 100 percent of its subrecipients annually? [24 CFR 92.504(a)]</p>	<p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A</p>
<p>Describe Basis for Conclusion:</p>	

<p>b. Does the PJ have written procedures that it has implemented to identify “high risk” subrecipients?</p>	<p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A</p>
<p>Describe Basis for Conclusion:</p>	

<p>c. Does the PJ have written procedures that it has implemented to ensure that “high risk” subrecipients receive proper oversight and monitoring?</p>	<p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A</p>
<p>Describe Basis for Conclusion:</p>	

16.

<p>Does the PJ review subrecipients for evidence of conflicts of interest, either between the PJ and the subrecipient, or between the subrecipient and its contractors (e.g., seek information on the background of staff or the Board of Directors, seek specific assurances from subrecipients)? [24 CFR 85.36(b), 24 CFR 92.505(a) and 24 CFR 92.356]</p>	<p><input type="checkbox"/> <input type="checkbox"/> Yes No</p>
<p>Describe Basis for Conclusion:</p>	

17.

Does the PJ ensure that subrecipients have procedures to:	
a. identify HOME property and assets? [For example, does it ensure that subrecipients have the property records required by 24 CFR 85.32(d)(1) or 24 CFR 84.34(f)?] [24 CFR 92.505(b)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

b. ensure adequate safeguards for preventing loss, damage or theft of subrecipient-held property? [24 CFR 85.32(d)(3) or 24 CFR 84.34(f)(4); 24 CFR 92.505(a) and (b)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

C. SUBRECIPIENT AGREEMENTS (See Instructions to this Exhibit.)

18.

a. Based upon the results of the subrecipients reviewed in Exhibit 7-18, has the PJ executed written agreements with all subrecipients to whom it has allocated HOME funds? [24 CFR 92.504(b)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

b. Did the PJ's subrecipient agreements meet the requirements outlined in Exhibit 7-18, "Guide for Review of Subrecipient Written Agreements?" [24 CFR 92.504(c)(2)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

D. REPORTING

19.

If the PJ enters data for IDIS set-up and completion of subrecipient projects, does it routinely obtain complete and accurate data from subrecipients? [24 CFR 92.502(b) and (d)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion: 	

20.

If subrecipients enter data for IDIS project set-up and completion, does the PJ review data to ensure that the data are complete, accurate, timely and consistent with subrecipient records? [24 CFR 92.502(b) and (d)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion: 	

21.

When monitoring subrecipients on-site, does the PJ verify the accuracy of data reported in IDIS and in reports that may be required? [24 CFR 92.504(a)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion: 	

E. ON-SITE MONITORING BY THE PJ

22.

a. Provide the following information regarding the on-site monitoring efforts that have been conducted by the PJ during the year(s) being reviewed.
 (Use the "tab" key to add additional rows or attach additional sheets.)

Subrecipient Monitored	Dates	Number and Types of Finding	Date of Letter	Date(s) Findings Resolved

b. Of the subrecipients monitored during the time frame stated in “a” above, what percentage does this represent of the total number of subrecipients funded by the PJ during this same time period?

Describe Basis for Conclusion:

23.

a. Do the PJ’s written monitoring reports clearly document the areas monitored and the conclusions reached?
[24 CFR 92.504(a) and 24 CFR 92.508(a)(6)(iii)]

<input type="checkbox"/>	<input type="checkbox"/>
Yes	No

Describe Basis for Conclusion:

b. Are subrecipients given an opportunity to respond and/or clarify?

<input type="checkbox"/>	<input type="checkbox"/>
Yes	No

Describe Basis for Conclusion:

24.

a. Are monitoring results communicated timely to subrecipients?

<input type="checkbox"/>	<input type="checkbox"/>
Yes	No

Describe Basis for Conclusion:

b. Do such results include any expected corrective actions and dates for resolution? [24 CFR 92.504(a) and 24 CFR 92.508(a)(6)(iii)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

25.

What is the PJ's internal procedure for ensuring the quality of monitoring efforts, including documentation and intended actions, and follow through on promised actions?
Describe Basis for Conclusion:

F. PROGRAM INCOME MONITORING

26.

Are subrecipients accurately reporting program income received to the PJ? (If the HUD reviewer performs on-site monitoring of a PJ's subrecipients, compare the subrecipients' internal financial records with its reports to the PJ and to IDIS entries.) [24 CFR 92.504(c)(2)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

27.

In comparing the PJ's internal financial records with its Integrated Disbursement and Information System (IDIS) entries, is the PJ accurately receipting program income received by subrecipients in IDIS? [24 CFR 92.503(a)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

28.

a. If program income is retained by the subrecipient, does the PJ check to determine that program income is being used before grant funds are requested? [24 CFR 92.504(c)(2)(vi)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

b. If program income is retained by the subrecipient, does the PJ check to determine that program income is being used in accordance with HOME rules? [24 CFR 92.504(c)(2)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

29.

Has the PJ included program income expected to be received by all of its subrecipients in preparing its most recent Consolidated Plan? [24 CFR 91.220(b)(1), 24 CFR 91.320(b)(1) and 24 CFR 91.420(b)(1)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

G. ON-SITE REVIEW OF SUBRECIPIENTS BY HUD

Instructions: Conduct an on-site review of the PJ's subrecipients as a way of determining the effectiveness of the PJ's monitoring efforts. If the PJ has more than two subrecipients, select a sample of subrecipients for review. Assess the PJ's monitoring reports for the subrecipients selected. Attach additional sheets as necessary to reflect the results of each subrecipient reviewed.

Name of Subrecipient:

Program or Project:

Records/Data Reviewed:

Concerns/Findings (identified by PJ):

30.

<p>[OS] a. Did the PJ monitor this subrecipient on-site? [24 CFR 92.504(a)]</p>	<p><input type="checkbox"/> <input type="checkbox"/> Yes No</p>
<p>Describe Basis for Conclusion:</p>	

<p>b. If "yes," indicate when.</p>
<p>Describe Basis for Conclusion:</p>

31.

<p>[OS] Based on your review, does there appear to be any significant differences between actual performance and the reported performance submitted to the PJ? [24 CFR 92.504(c)(2)(viii)]</p>	<p><input type="checkbox"/> <input type="checkbox"/> Yes No</p>
<p>Describe Basis for Conclusion:</p>	

32.

<p>[OS] In reviewing the activities and costs charged by the subrecipient to the HOME program, are there any costs that:</p>	
<p>a. appear clearly unreasonable? [24 CFR 92.505(a) and OMB Circular A-87, Attachment A]</p>	<p><input type="checkbox"/> <input type="checkbox"/> Yes No</p>
<p>b. warrant further review?</p>	<p><input type="checkbox"/> <input type="checkbox"/> Yes No</p>
<p>Describe Basis for Conclusion:</p>	

33.

<p>[OS] In interviewing the subrecipient staff, does there appear to be adequate knowledge and understanding of HOME rules and other applicable regulations so that it is likely that the subrecipient is in compliance with such rules?</p>	<p><input type="checkbox"/> <input type="checkbox"/> Yes No</p>
<p>Describe Basis for Conclusion:</p>	

34.

<p>[OS] Are there any HOME program requirements, elements of the subrecipient agreement or other findings that the PJ's monitoring report should have identified? (If "yes," identify below.) [24 CFR 92.504(c)(2)]</p>	<p><input type="checkbox"/> <input type="checkbox"/> Yes No</p>
<p>Describe Basis for Conclusion:</p>	

H. SUMMARY

35.

Is the PJ adequately managing and monitoring subrecipient activities? [24 CFR 92.504(a)]	<input type="checkbox"/>	<input type="checkbox"/>
Describe Basis for Conclusion:		

36.

If the answer to the question above is “no,” identify the apparent cause(s) of the problem(s).
Describe Basis for Conclusion:

37.

If action is needed, what action is recommended to address subrecipient management deficiencies?
Describe Basis for Conclusion:

38.

Does the PJ need any technical assistance in any particular area? (If “yes,” identify below.)	<input type="checkbox"/>	<input type="checkbox"/>
Describe Basis for Conclusion:		