CHAPTER 28

EMERGENCY SOLUTIONS GRANTS (ESG) PROGRAM

28-1 APPLICABILITY. This Chapter provides guidance for monitoring compliance with the Emergency Solutions Grants (ESG) Program regulations at 24 CFR part 576. Part 576 generally incorporates the uniform administrative requirements, cost principles, and audit requirements, which were recently revised and codified at 2 CFR part 200. This Chapter contains (or incorporates) both questions to monitor compliance with 2 CFR part 200 and questions to monitor compliance with the former uniform administrative requirements, cost principles, and audit requirements (i.e., 24 CFR parts 84 and 85 (2013), 2 CFR 225 and 230 (2013), OMB Circular A-133). For HUD guidance on monitoring for compliance with the uniform administrative requirements, cost principles, and audit requirements during the period of transition to 2 CFR part 200, please see HUD's April 13, 2016, Notice CPD-16-04 **(**http://portal.hud.gov/hudportal/documents/huddoc?id=16-04cpdn.pdf).

Where ESG funds were used for rental assistance or services, the HUD reviewer MUST complete the applicable Exhibits in Chapter 24 of this Handbook, *Lead-Based Paint Compliance*. NOTE: See Exhibit 24-2 (Services), Exhibit 24-3 (Tenant-Based Rental Assistance), or Exhibit 24-4 (Project-Based Rental Assistance).

The Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act revised the Emergency Shelter Grants program and renamed it the Emergency Solutions Grants (ESG) program. The HEARTH Act broadened the emergency shelter and homelessness prevention activities of the Emergency Solutions Grants program beyond those of its predecessor program, the Emergency Shelter Grants program, and added short- and medium-term rental assistance and services to rapidly re-house persons experiencing homelessness. The change in the program's name reflects the change in the program's focus from addressing the needs of homeless people in emergency or transitional shelters to assisting people to quickly regain stability in permanent housing after experiencing a housing crisis or becoming homeless.

The ESG program awards funds, on a formula basis, to state governments, metropolitan cities, urban counties, and U.S. territories for five components, plus Administrative activities: Street Outreach, Emergency Shelter, Rapid Re-housing, Homelessness Prevention, and Homeless Management Information System (HMIS). ESG funds are available for the following purposes: (1) engage homeless individuals and families living on the street; (2) improve the number and quality of emergency shelters for homeless individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents, (5) rapidly re-house homeless individuals and families, and (6) prevent families/individuals from becoming homeless.

Territories and local governments that receive ESG funds may carry out the program directly and/or subgrant all or part of their ESG funds to private nonprofit organizations to carry out eligible program activities. States receiving ESG funds must subgrant all of the ESG funds they receive, except for their allowable portion of the grant for administration costs (states must share some of the 7.5 percent allotment for administrative costs with their subrecipients that are local governments), and HMIS costs if the recipient is the HMIS Lead, to units of general purpose local government and/or private nonprofit organizations to carry out the program.

28-2 PREPARING FOR MONITORING. The specific ESG program areas or requirements to be monitored are determined as part of the risk analysis process (see additional guidance provided in Chapter 2). Before monitoring, the HUD reviewer should be familiar with both the ESG program requirements and the design and operation of the participant's ESG program, particularly any areas that have been identified as high-risk or that are the subject of the monitoring. Whether monitoring on-site or assembling materials for a remote monitoring, reviewers will need specific items to successfully monitor a participant's ESG Program. Information that will assist in ESG Program monitoring includes:

- the authorizing legislation, Title IV, Subtitle B of the McKinney-Vento Homeless Assistance Act of 1987, as amended (42 U.S.C. 11371 et seq);
- the ESG rule at **24 CFR part 576, as amended by 76 FR 75974 (Dec. 5, 2011) and 80 FR 75939 (Dec. 7, 2015)**;
- the most recent approved Consolidated Plan Annual Action Plan**;**
- the grant agreement and any amendment(s) to the grant agreement, and any subrecipient agreements and/or procurement contracts;
- any HUD-approved ESG waivers;
- Integrated Disbursement and Information System (IDIS) draw information and reports; and
- the latest Consolidated Annual Performance and Evaluation Report (CAPER).

28-3 FILE SELECTION AND SAMPLING. As described in Chapter 2, the risk analysis process will be used to determine which ESG recipients and areas should be reviewed. Once that process has been completed, where it is indicated that a file review is necessary to answer Exhibit questions, the HUD reviewer should consider the following factors when determining the specific files that will comprise the review sample:

A. Where feasible, initial file selection should be made using a random selection method.

B. The reviewer would consider adding more files to this selection in order to:

i. Include a file or files from each staff person working in the respective program area being monitored;

ii. Expand the sample, if possible, to include additional files with the same characteristics, if indicated by the severity or nature of any problems(s) noted during the initial selection's review (for example, same problem category, same staff person, same activities or other characteristics). This expanded sampling aids in determining whether problems are isolated events or represent a systemic problem.

C. The HUD reviewer may also add files to the selection from any project that the HUD reviewer has reason to believe may have compliance problems or that is substantially different in terms of size, complexity, or other factors from other projects the recipient has funded.

Guide for Review of Homeless and At-Risk Determination/Recordkeeping Requirements			
Name of Recipient:			
Grant Number:			
Name of Subrecipient(s):			
Staff Consulted:			
Name(s) of Reviewer(s)		**Date**	

NOTE: All questions that address requirements contain the citation for the source of the requirement (statute or regulation). If the requirement is not met, HUD must select "NO" in response to the question and 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 is a MANDATORY review for the Emergency Solutions Grants (ESG) Program. This Exhibit is divided into three sections: General Recordkeeping Requirements; Detailed Recordkeeping Requirements for Individuals and Families Qualifying Under the Homeless Definition; and Detailed Recordkeeping Requirements for Individuals and Families Qualifying Under the At-Risk of Homelessness Definition. It is intended to be used to determine whether the appropriate documentation has been maintained by a recipient/subrecipient and is designed to augment the review of the recipient's projects to determine whether program participants' eligibility has been adequately documented in terms of their homeless or at-risk of homelessness status upon entry into the program. This Exhibit is not intended to determine program participant eligibility. To determine whether an individual or family is eligible for a particular activity, the HUD reviewer must review the Emergency Solutions Grants Program regulation and the applicable written standards.

To monitor this area:

1. Request a listing from the Homeless Management Information System (HMIS) of program participants (current and former), including their entry dates.
2. Select a random sample from both current and former program participants (use items other than program participant names, i.e., initials, case file numbers, apartment numbers, to identify program participants).
3. Review these program participant files to complete the questions in this Exhibit, supplemented by recipient staff interviews.

The HUD reviewer is responsible for determining whether sufficient supporting documentation is included in or is missing from the program participant relevant files to support conclusions, including any Finding(s) and/or Concern(s) noted in the final monitoring report.

Questions:

A. GENERAL RECORDKEEPING REQUIREMENTS

1.

Do the records demonstrate that the recipient had written intake procedures in place to ensure that documentation of program participants' homeless or at-risk of homelessness status is maintained in accordance with the program requirements? [24 CFR 576.500]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

2.

Do the records demonstrate that the written intake procedures require obtaining documentation at project intake of the evidence relied upon to establish and verify homeless or at-risk of homelessness status? [24 CFR 576.500]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

3.

Do the recipient/subrecipient's written intake procedures establish the order of priority for obtaining evidence of homelessness as: (1) third-party documentation; (2) intake worker observations; and (3) self-certification? [24 CFR 576.500(b)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

4.

Does a representative sample of records suggest compliance with the requirement that lack of third-party documentation must not prevent an individual or family from being immediately admitted to emergency shelter, receiving street outreach services, or being immediately admitted to shelter or receiving services provided by a victim service provider? NOTE: Under 24 CFR 576.500(d), the records must include documentation of the reason for each determination that an individual or family is ineligible to receive ESG assistance. [24 CFR 576.500(b)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

5.

Do the records demonstrate that the recipient/subrecipient followed the written intake procedures? [24 CFR 576.500]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

6.

If the recipient/subrecipient is using HMIS or a comparable database as evidence of program participants' homeless status, does the HMIS or comparable database retain an auditable history of all entries, including identification of the person who entered the data, the date of entry, and the change made, and does the HMIS prevent overrides or changes of the dates on which entries are made? NOTE: Recipients/subrecipients are not required to use their HMIS as evidence of homeless status but, if they do, the HMIS must meet these requirements. The HUD reviewer can determine whether the HMIS was used by asking the recipient or subrecipient or by reviewing the case file and identifying whether HMIS printed records were included in the record.) [24 CFR 576.500(b)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

B. DETAILED RECORDKEEPING REQUIREMENTS FOR INDIVIDUALS AND FAMILIES QUALIFYING UNDER THE HOMELESS DEFINITION

7. PARAGRAPH 1 – HOMELESS DEFINITION

For program participants who qualified as homeless because their primary nighttime residence was a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground, or because they were living in a supervised shelter designed to provide temporary living arrangements, does a review of program participant files include one of the following: a. a written referral by another housing or service provider; b. a printed record from HMIS or a comparable database used by a victim service or legal service provider; c. a written observation by an outreach worker of the conditions where the individual or family was living; or d. a written certification by the individual or head of household seeking assistance? [24 CFR 576.500(b)(1)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

8. PARAGRAPH 1 – HOMELESS DEFINITION

For program participants who qualified as homeless because they were exiting an institution where they resided for 90 days or less and had resided in an emergency shelter or place not meant for human habitation immediately before entering that institution, does a review of program participant files confirm that they were in the institution 90 days or less as evidenced by: a. discharge paperwork or written or oral referral from a social worker, case manager, or other appropriate official of the institution, stating the beginning and end dates of the time residing in the institution, or b. a written record of the intake worker's due diligence in attempting to obtain the information above and a written certification by the individual seeking assistance that stated he or she is exiting (or has just exited) the institution where he or she resided for 90 days or less? NOTE: Intake workers must document the content of oral statements. Where the intake worker is unable to contact an appropriate official, the intake worker must document his/her due diligence in attempting to obtain a statement from the institution. [24 CFR 576.500(b)(2)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

9. PARAGRAPH 1 – HOMELESS DEFINITION

For program participants who qualified as homeless because they were exiting an institution where they resided for 90 days or less and had resided in an emergency shelter or place not meant for human habitation immediately before entering that institution, does a review of program participant files confirm that the program participant resided in a shelter or place not meant for human habitation immediately **prior to entering the institution,** as evidenced by: a. a written referral by another housing or service provider; b. a printed record from HMIS or a comparable database used by victim service or legal service providers; c. a written observation by an outreach worker of the conditions where the individual or family was living; or d. written certification by the individual or head of household seeking assistance? [24 CFR 576.500(b)(2)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

10. PARAGRAPH 2 – HOMELESS DEFINITION

For program participants who qualified under paragraph (2) of the homeless definition in 24 CFR 576.2, does a review of program participant files contain the following evidence that program participants would have **lost their primary nighttime residence (**including housing they own, rent, or share with others) within 14 days of the date of application for homeless assistance: a. a court order resulting from an eviction action notifying the individual or family that they must leave within 14 days of the date of their application for homeless assistance, or the equivalent notice under state law; a Notice to Quit, or a Notice to Terminate issued under state law; b. if the primary nighttime residence was a hotel or motel room not paid for by federal, state, or local government programs for low income program participants or by charitable organizations, evidence that the individual or family lacked the resources necessary to reside there for more than 14 days from the date of application for homeless assistance; or c. an oral statement by the individual or head of household seeking assistance that the owner or renter of the housing in which they currently reside will not allow them to stay for more than 14 days from the date of application for homeless assistance? The statement must be documented by the intake worker. Also, the oral statement was found credible by one of the following: o a written certification by the owner or renter of the housing or the intake worker's documentation of the owner or renter's oral statement, or o if the owner or renter of the housing cannot be reached, a written description and certification of the intake worker's due diligence in contacting the owner or renter and a written certification by the head of household seeking the assistance that their statement is true and complete. [24 CFR 576.500(b)(3)(i)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

11. PARAGRAPH 2 – HOMELESS DEFINITION

For program participants who qualified under paragraph (2) of the homeless definition in 24 CFR 576.2, does a review of program participant files contain: (1) certification from the individual or head of household that no subsequent residence has been identified; and (2) certification or other written documentation that the individual or family lacks the resources or support networks to obtain other permanent housing? [24 CFR 576.500(b)(3)(ii)and(iii)]	☐ ☐ ☐ **Yes No N/A**

Describe Basis for Conclusion:

12. PARAGRAPH 3 – HOMELESS DEFINITION

For youth and families who qualified under paragraph (3) of the homeless definition in 24 CFR 576.2, does a review of the program participant files confirm that the unaccompanied youth or family with children and youth met the homeless definition of another federal statute as evidenced by a certification of homeless status signed by the local private nonprofit organization or state or local governmental entity responsible for administering assistance under that statute? [24 CFR 576.500(b)(4)(i)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

13. PARAGRAPH 3 – HOMELESS DEFINITION

For youth and families who qualified under paragraph (3) of the homeless definition in 24 CFR 576.2, does a review of program participant files confirm that the program participants did not have a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance, as evidenced by the following: a. written certification by the head of household seeking assistance, or b. written observation by an outreach worker, or c. referral by a housing or service provider? [24 CFR 576.500(b)(4)(ii)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

14. PARAGRAPH 3 – HOMELESS DEFINITION

For youth and families who qualified under paragraph (3) of the homeless definition in 24 CFR 576.2, does a review of program participant files indicate that each program participant's records contain a written self-certification that the program participant moved two or more times during the 60-day period immediately before the program participant applied for homeless assistance AND one or more of the following documentation, as applicable, to support the self-certification: a. recorded statements or records obtained from each owner or renter of housing; provider of shelter or housing; or social worker, case worker; or other appropriate official of a hospital or institution in which the individual or family resided; b. a written record of the intake worker's due diligence in attempting to obtain the above records;	☐ Yes ☐ No ☐ N/A

c. where a move was due to the individual or family fleeing domestic violence, dating violence, sexual assault, or stalking, written self-certification that they were fleeing that situation and they resided at that address? [24 CFR 576.500(b)(4)(iii)]	
Describe Basis for Conclusion:	

15. PARAGRAPH 3 – HOMELESS DEFINITION

For youth and families who qualified under paragraph (3) of the homeless definition in 24 CFR 576.2, does a review of program participant files confirm that the program participants' persistent instability was likely to continue for an extended period of time because of: chronic disabilities; chronic physical health or mental health conditions; substance addiction; histories of domestic violence or dating violence or childhood abuse; the presence of a child or youth with a disability; two or more barriers to employment (including lack of high school degree or GED; illiteracy; low English proficiency; a history of incarceration; or detention for criminal activity; and/or a history of unstable employment) as evidenced by: a. for chronic disabilities, chronic physical health or mental health conditions, and substance addiction – a written diagnosis from a professional who is licensed by the state to diagnose or treat those conditions; or b. for barriers to employment – employment records, literacy or English proficiency tests, department of corrections records; or c. any other reasonable documentation of any of the conditions in the criteria? [24 CFR 576.500(b)(4)(iv)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

16. PARAGRAPH 4 – HOMELESS DEFINITION

Where the program participant qualified under paragraph (4) of the definition of homeless in 24 CFR 576.2 and **was served by a victim service provider**, do the records show that either the program participant or the intake worker certified in writing that the individual or head of household made an oral statement that the program participant was: a. was fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life threatening conditions that relate to violence; b. lacked the resources or support networks necessary to obtain other housing; and	☐ Yes ☐ No ☐ N/A

c. had not identified a subsequent residence? [24 CFR 576.500(b)(5)]	
Describe Basis for Conclusion:	

17. PARAGRAPH 4 – HOMELESS DEFINITION

Where the program participant qualified under paragraph (4) of the definition of homeless in 24 CFR 576.2 and **was served by an organization that is not a victim service provider**, do the records contain the required documentation and support for the program participant's oral statement that the individual or family: a. was fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence; b. lacked the resources or support networks needed to obtain other permanent housing; and c. had no other subsequent residence identified? NOTE: The documentation of the program participant's oral statement must include: 1. a written certification by the head of household that the oral statement is true and complete; and 2. a written observation of the intake worker or a written referral by a housing or service provider, legal assistance provider, social worker, health-care provider, law enforcement agency, pastoral counselor, or any other organization from whom the program participant had sought assistance for domestic violence, dating violence, sexual assault, or stalking. (This written referral or observation need only include the minimum amount of information required to document that the individual or family is fleeing domestic violence, dating violence, sexual assault or stalking and is not required if obtaining or maintaining this information would have jeopardized the program participant's health or safety.) [24 CFR 576.500(b)(5)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

<u>C. DETAILED RECORDKEEPING REQUIREMENTS FOR INDIVIDUALS AND FAMILIES QUALIFYING UNDER THE AT-RISK OF HOMELESSNESS DEFINITION</u>

NOTE: This portion of the Exhibit is for the At-Risk of Homelessness Definition – and does not apply to persons who met the criteria under "PARAGRAPH 2 – At Imminent Risk" of the Homeless Definition.

18. PARAGRAPH 1 – AT-RISK OF HOMELESSNESS DEFINITION

Where the program participant qualified as at-risk of homelessness under paragraph (1) of the definition in 24 CFR 576.2, do the records reflect that the household's income is below 30 percent of the area median income, as evidenced by an income evaluation form containing HUD's minimum requirements, and at least one of the following: a. source documents for the assets held by the program participant and source document of the income received over the most recent period for which representative data are available before the date of intake; or b. written statement by the relevant third party (e.g., employer) or the written certification by the recipient's or subrecipient's intake staff of the oral verification by the relevant third party of the income the program participant received over the most recent period for which representative data are available; or c. written certification by the program participant of the amount of income the program participant received for the most recent period representative of the income that the program participant was reasonably expected to receive over the 3-month period following the evaluation? [24 CFR 576.500(c)(1)(i); 24 CFR 576.500(e)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

19. PARAGRAPH 1 – AT-RISK OF HOMELESSNESS DEFINITION

Where the program participant qualified as at-risk of homelessness under paragraph (1) of the definition in 24 CFR 576.2, do the records reflect the program participant's written certification that the program participant has insufficient financial resources and support networks immediately available to attain housing stability and meets one or more of the conditions under paragraph (1)(iii) of the "at risk of homelessness" definition? [24 CFR 576.500(c)(1)(ii)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

20. PARAGRAPH 1 – AT-RISK OF HOMELESSNESS DEFINITION

Where the program participant qualified as at-risk of homelessness under paragraph (1) of the definition in 24 CFR 576.2, do the records show reasonable efforts to verify that the program participant did not have sufficient resources or support networks immediately available to prevent them from moving to an emergency shelter or another place, as evidenced by one of the following: a. source documents (e.g., notice of termination from employment, bank statement, health-care bill showing arrears); or	☐ Yes ☐ No ☐ N/A

b. a written verification by the relevant third party or written certification by the recipient's/subrecipient's intake staff of the oral verification by the relevant third party; or c. a written statement by the recipient's/subrecipient's intake staff of the efforts taken to obtain verification through source documents and relevant third parties? [24 CFR 576.500(c)(1)(iii)]	
Describe Basis for Conclusion:	

21. PARAGRAPH 1 – AT-RISK OF HOMELESSNESS DEFINITION

Where the program participant qualified as at-risk of homelessness under paragraph (1) of the definition in 24 CFR 576.2, do the records show reasonable efforts to verify that the program participant met one of the seven conditions under paragraph (1)(iii), as evidenced by one of the following: a. source documents that evidence one or more of the conditions; b. a written statement by the relevant third party or the written certification by the recipient's/subrecipient's intake staff of the oral verification by the relevant third party that the applicant meets one or more of the conditions; or c. a written statement by the recipient's or subrecipient's intake staff that the staff person has visited the applicant's residence and determined that the applicant meets one or more of the conditions or, if a visit is not feasible or relevant to the determination, a written statement by the recipient's/subrecipient's staff describing the efforts taken to obtain the required evidence? NOTE: The conditions are: (1) has moved because of economic reasons two or more times during the 60 days immediately preceding the application for assistance; (2) is living in the home of another because of economic hardship; (3) has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of the application for assistance; (4) lives in a hotel or motel and the cost is not paid by charitable organizations, federal, state, or local government programs for low-income individuals; (5) lives in an SRO or efficiency apartment in which there resides more than two persons or lives in a larger housing unit in which there resides more than 1.5 persons per room, as defined by the U.S. Census Bureau; (6) is exiting a publicly-funded institution, or system of care, or (7) otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness as identified in the recipient's Consolidated Plan.	☐ Yes ☐ No ☐ N/A

[24 CFR 576.500(c)(1)(iv)]	
Describe Basis for Conclusion:	

22. PARAGRAPH 2 – AT-RISK OF HOMELESSNESS DEFINITION

Where the program participant qualified as at-risk of homelessness under paragraph (2) in 24 CFR 576.2, do the records reflect that the program participant met the definition of homeless under one of the following federal statutes, as evidenced by a certification of the child or youth's homeless status by the agency or organization responsible for administering assistance under the statute: a. Runaway and Homeless Youth Act; b. Head Start Act; c. Subtitle N of the Violence Against Women Act of 1994; d. Section 330 of the Public Health Service Act; e. The Food and Nutrition Act of 2008; f. Section 17 of the Child Nutrition Act of 1966? [24 CFR 576.500(c)(2)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

23. PARAGRAPH 3 – AT-RISK OF HOMELESSNESS DEFINITION

Where the program participant qualified as at-risk of homelessness under paragraph (3) in 24 CFR 576.2, do the records reflect that the child or youth in the household qualified as homeless under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act, as evidenced by certification of the child or youth's homeless status by an agency or organization that administers assistance under the Education for Homeless Children and Youth Program? NOTE: Under this paragraph of At-Risk of Homelessness, the certification need only specify that the child or youth meets the definition under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act. [24 CFR 576.500(c)(2)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

Guide for Review of ESG Recipient's Overall Grant Management			
Name of Recipient:			
Names of All Subrecipient(s):			
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, or grant agreement). If the requirement is not met, HUD must select "NO" in response to the question and 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 assess the recipient's compliance with overall grant management requirements of the Emergency Solutions Grants (ESG) program. HUD reviewers should use a combination of the information in program files and recipient staff interviews to answer the questions below. The Exhibit is divided into eight sections: Grants Management and Oversight; Systems Coordination Requirements; Recordkeeping; Homeless Management Information System (HMIS); Other ESG-Specific Requirements; Administrative Costs; Financial Management; and Other Federal Requirements.

As previously noted, the ESG rule at 24 CFR part 576 generally incorporates the uniform administrative requirements, cost principles, and audit requirements, which were recently revised and codified at 2 CFR part 200. This Exhibit contains both questions to monitor compliance with 2 CFR part 200 and questions to monitor compliance with the former uniform administrative requirements, cost principles, and audit requirements (i.e., 24 CFR parts 84 and 85 (2013), 2 CFR 225 and 230 (2013), OMB Circular A-133). For HUD's expectations on monitoring for compliance with the uniform administrative requirements, cost principles, and audit requirements during this period of transition to 2 CFR part 200, please see HUD's April 13, 2016, notice CPD-16-04 (http://portal.hud.gov/hudportal/documents/huddoc?id=16-04cpdn.pdf).

The HUD reviewer must supplement this Exhibit with Exhibit 28-9 (covering the procurement requirements in 24 CFR parts 85 and 84) and Exhibit 34-3 (covering the procurement requirements in 2 CFR part 200), as appropriate.

Where ESG funds were used for rental assistance or services, the HUD reviewer MUST complete the applicable Exhibits in Chapter 24 of this Handbook, *Lead-Based Paint Compliance*. NOTE: See Exhibit 24-2 (Services), Exhibit 24-3 (Tenant-Based Rental Assistance), or Exhibit 24-4 (Project-Based Rental Assistance).

This Exhibit can be used to either monitor the recipient alone, the recipient with a single subrecipient, or the recipient with multiple subrecipients. It is the responsibility of the HUD reviewer to ensure that the responses provide sufficient documentation to support the basis for the conclusions. Keep in mind that, if multiple entities are reviewed and a deficiency is identified for a single entity, a "No" response is required.

Questions:

A. GRANT MANAGEMENT AND OVERSIGHT

1.

Carrying Out Grant Activities (States): If the recipient is a state: a. did it only retain funds for: (1) administrative activities, and (2) HMIS Lead activities if the State recipient is also the HMIS Lead; and b. if the State retains funds for administrative or HMIS activities, are all such activities carried out through its employees or procurement contracts? [24 CFR 576.202(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

2.

Carrying Out Grant Activities (States): If the recipient is a state, did it only subgrant funds to private nonprofit organizations and units of general purpose local government? [24 CFR 576.202(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

3.

Carrying Out Grant Activities (States): If a State has subgranted funds directly to private nonprofit organizations for emergency shelter activities, has the recipient obtained the appropriate certification of approval from the unit of general purpose local government for the geographic area in which those activities were carried out? [24 CFR 576.202(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

4.

Carrying Out Grant Activities (Metropolitan Cities/Territories): If the recipient is a metropolitan city or territory, were all activities carried out through its employees, procurement contracts, or subgrants to private nonprofit organizations? [24 CFR 576.202(b)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

5.

Carrying Out Grant Activities (Urban Counties): a. If the recipient is an urban county, were all activities carried out through its employees, procurement contracts, subgrants to private nonprofit organizations, or through any of its member governments? b. If activities were carried out through member governments, did the recipient ensure that the local governments were in compliance with the ESG requirements that apply to local government subrecipients? [24 CFR 576.202(b)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

6.

Obligation Requirements (States): If the recipient is a state, did it obligate the entire grant (except the amount for its administrative costs) within 60 days of the date HUD signed the grant agreement (or grant amendment for reallocated funds)? [24 CFR 576.203(a)(1)(i)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

7.

Obligation Requirements (Local Governments/Territories): If the recipient is a metropolitan city, urban county, or territory, did the recipient obligate the full grant amount (except the amount for its administrative costs) within 180 days of the date HUD signed the grant agreement (or grant amendment for reallocated funds), using one of the methods described in the regulation? [24 CFR 576.203(a)(2)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

8.

Draw Down and Expenditure Rate: Do the recipient's records document that the recipient drew down and expended funds from each year's grant at least once during each quarter of the program year? [24 CFR 576.203(b); 24 CFR 576.500(u)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

9.

Expenditure Requirement: Do the recipient's records document that the recipient expended 100% of the grant for eligible costs within 24 months after the date HUD signed the grant agreement? [24 CFR 576.203(b); 24 CFR 576.500(u)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

10.

Payments to Subrecipients: Did the recipient pay each subrecipient for allowable costs within 30 days after receiving the subrecipient's complete payment request? [24 CFR 576.203(c)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

11.

Expenditures (Reallocated Funds): If the recipient received any reallocated funds, did the recipient: a. submit to HUD a substantial amendment to its Consolidated Plan in accordance with 24 CFR Part 91 within 45 days of notification; and b. expend the reallocated funds under the same requirements that apply to regular grant allocations (except for special requirements for states under 24 CFR 576.301(d))? [24 CFR 576.300(1); 24 CFR 576.301; 24 CFR 576.302; 24 CFR 576.303]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

12.

Monitoring: Did the recipient monitor grant and subgrant supported activities: a. to ensure compliance with applicable federal requirements; b. to ensure that performance goals are being achieved; and c. did the monitoring cover each program, function, or activity? [24 CFR 576.407(c); 24 CFR 85.40]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

13.

Monitoring: Does the recipient monitor its activities to assure compliance with applicable program requirements and that performance expectations are being achieved? **NOTE:** Monitoring by the recipient must cover each program, function, or activity. [24 CFR 576.407(c); 2 CFR 200.328(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

14.

If the recipient provides funds through either a subrecipient agreement or a contract, has it followed the criteria in 2 CFR 200.330 for making case-by-case determinations of whether the entity is receiving the funds in the role of either a subrecipient or contractor? [24 CFR 576.407(c) and 2 CFR 200.330]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

15.

In making an award to a subrecipient, has the recipient evaluated each subrecipient's risk of noncompliance with the Federal statutes, regulations, and terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring? **NOTE:** This evaluation may include consideration of factors such as: • the subrecipient's prior experience with the same or similar subawards; • the results of previous audits, including whether or not the subrecipient receives a Single Audit in accordance with Subpart F of 2 CFR part 200, and the extent to which the same or similar subaward has been audited as a major program; • whether the subrecipient has new personnel or new or substantially changed systems; and • the extent and results of previous HUD monitoring, if the subrecipient also receives funds directly from HUD. [24 CFR 576.407(c) and 2 CFR 200.331(b)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

16.

For each subaward provided to a subrecipient, has the recipient clearly identified it as a subaward to a subrecipient and included the following information at the time of the subaward: a. Federal award identification? b. Subrecipient name (which must match the name associated with the unique entity identifier)? c. Subrecipient's unique entity identifier? d. HUD award identification number? e. Federal award date, as defined in 2 CFR 200.39 (the date that HUD signed the award to the recipient)? f. Subaward period of performance start and end date? g. Total amount of the Federal award committed to the subrecipient by the recipient? h. Amount of Federal funds obligated by this action by the recipient to the subrecipient? i. Total amount of Federal funds obligated to the subrecipient by the recipient, including the current obligation? j. Federal Award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA)? k. HUD's name, the name of the recipient, and contact information for the awarding official of the recipient? l. Catalog of Federal Domestic Assistance (CFDA) number and name of the HUD program under which the award is made?	☐ Yes ☐ No ☐ N/A

m. Identification of whether the award is Research & Development (R&D), if applicable? n. Indirect cost rate for the HUD award to the recipient? o. Indirect cost rate for the subaward, if applicable (which must be an approved Federally-recognized indirect cost rate negotiated between the subrecipient and the Federal government or, if no such rate exists, either a rate negotiated between the recipient and the subrecipient (in compliance with 2 CFR part 200), or a de minimis indirect cost rate as defined in 24 CFR 200.414(f))? p. All requirements imposed by the recipient on the subrecipient so that the subaward is used in accordance with the Federal statutes, regulations, and the terms and conditions of the HUD award to the recipient? q. Any additional requirements imposed by the recipient on the subrecipient in order for the recipient to meet its own responsibility to HUD, including identification of any required financial or performance reports? r. A requirement that the subrecipient permit the recipient and auditors to have access to the subrecipient's records and financial statements as necessary for the recipient to meet its requirements under 2 CFR part 200? s. Appropriate terms and conditions concerning closeout of the subaward? [24 CFR 576.407(c) and 2 CFR 200.331(a)]	
Describe Basis for Conclusion:	

17.

a. For subawards provided to subrecipients, has the recipient monitored the activities of the subrecipient as necessary to ensure that the subaward was used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are being, or have been, achieved? [24 CFR 576.407(c) and 2 CFR 200.331(d)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	
b. Did the recipient's monitoring of the subrecipient include: • Reviewing financial and performance reports required by the recipient? • Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the subaward detected through audits, on-site reviews, or other means?	☐ Yes ☐ No ☐ N/A

• Issuing a management decision for audit findings pertaining to the subaward a required by 2 CFR 200.521? [24 CFR 576.407(c) and 2 CFR 200.331(d)(1) – (3)]	
Describe Basis for Conclusion:	

18.

a. For each subrecipient provided a subaward, has the recipient determined whether the subrecipient met or exceeded the audit threshold set in 2 CFR 200.501 for the respective fiscal year? [24 CFR 576.407(c) and 2 CFR 200.331(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	
b. If a subrecipient meets the audit threshold in 2 CFR 200.501, has the recipient verified that the subrecipient is audited as required by Subpart F of 2 CFR part 200? [24 CFR 576.407(c) and 2 CFR 200.331(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

19.

For each subrecipient receiving a subaward, has the recipient considered whether the results of the subrecipient’s audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the recipient’s own records? [24 CFR 576.407(c) and 2 CFR 200.331(g)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

20.

If the recipient found any subrecipient non-noncompliant, did the recipient consider taking enforcement action against the subrecipient per 2 CFR 200.338 and the program regulations? [24 CFR 576.407(c) and 2 CFR 200.331(h)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

21.

<u>Recipient Sanctions</u>: a. If the recipient determined that a subrecipient failed to comply with an ESG program requirement or its subgrant agreement, did the recipient take appropriate actions, as prescribed for HUD under 24 CFR 576.501(a) and (b)? b. If applicable, did the recipient comply with the reallocation requirements? [24 CFR 576.501(c)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

22.

Changes to the Program: If the recipient: a. made changes in its allocation priorities or method of distribution of grant funds, b. carried out an activity not previously described in the recipient's Consolidated Plan, or c. changed the purpose, scope, location, or beneficiaries of an activity, did the recipient amend its approved Consolidated Plan and submit it to HUD in accordance with the requirements of 24 CFR 91.505? [24 CFR 576.200(b)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

23.

Consultation with Continuums of Care (CoCs): Did the recipient consult with each CoC that serves the recipient's jurisdiction in the following areas: a. determining how to allocate ESG funds each program year; b. developing the performance standards for projects and activities assisted with ESG funds; c. evaluating the outcomes of projects and activities assisted with ESG funds; and d. developing funding, policies, and procedures for the administration and operation of the HMIS? [24 CFR 576.400(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

B. SYSTEMS COORDINATION REQUIREMENTS

24.

Coordination with Other Targeted Homeless Services: Did the recipient coordinate and integrate, to the maximum extent practicable, ESG-funded activities with the programs, including those listed under 24 CFR 576.400(b), that are targeted to homeless people in the geographic area covered by the CoC or area over which the services are coordinated to provide a strategic, community-wide system to prevent and end homelessness for that area? [24 CFR 576.400(b)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

25.

System and Program Coordination with Mainstream Resources: Do the records document that the recipient coordinated and integrated, to the maximum extent practicable, ESG-funded activities with mainstream housing, health, social services, employment, education, and youth	☐ Yes ☐ No ☐ N/A

programs for which homeless and at-risk of homelessness persons might be eligible? [24 CFR 576.400(c); 24 CFR 576.500(m)]	
Describe Basis for Conclusion:	

26.

Use of the Coordinated Assessment System: If the CoC has established a coordinated assessment system that meets HUD requirements, does the documentation show that each ESG-funded program or project within the CoC's area (except for victim service providers that opt out) is participating in the CoC's coordinated assessment system? **NOTE**: ESG-funded victim service providers may choose not to use the CoC's coordinated assessment system. [24 CFR 576.400(d); 24 CFR 576.500(g)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

27.

Coordinated Assessment (Consistency with Written Standards): If the CoC has established a coordinated assessment system: a. did the recipient work with the CoC to ensure that the screening, assessment, and referral of program applicants are consistent with the ESG written standards required under 24 CFR 576.400(e); and b. if the system meets HUD requirements, were all initial evaluations conducted in accordance with the coordinated assessment system requirements? [24 CFR 576.400(d); 24 CFR 576.401(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

28.

Establishing Written Standards (States): If the recipient is a state, did it establish and consistently apply, or ensure that its subrecipients established and consistently applied, written standards for providing ESG assistance to all program participants? [24 CFR 576.400(e)(2)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

29.

Establishing Written Standards (Local Governments/Territories): If the recipient is a local government or territory, did it consistently apply, and ensure that its subrecipients consistently applied, its written standards for the provision of ESG assistance to all program participants? [24 CFR 576.400(e)(1)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

30.

Establishing Written Standards: Did the recipient ensure that the written standards include all of the required elements? [24 CFR 576.400(e)(3)]	☐ Yes	☐ No	☐ N/A
Describe Basis for Conclusion:			

C. RECORDKEEPING

31.

Recordkeeping (Record Retention): a. Did the recipient have written policies and procedures to ensure that ESG funds are used in accordance with the requirements specified by the recipient and HUD? b. Were sufficient records established and maintained to enable the recipient and HUD to determine whether ESG requirements are being met? [24 CFR 576.500(a)]	☐ Yes	☐ No	☐ N/A
Describe Basis for Conclusion:			

32.

Recordkeeping (Subrecipients): Did the recipient retain copies of all solicitations of and agreements with subrecipients, records of all payment requests by and dates of payments made to subrecipients, and documentation of all monitoring and sanctions of subrecipients, as applicable? [24 CFR 576.500(v)(1)]	☐ Yes	☐ No	☐ N/A
Describe Basis for Conclusion:			

33.

Recordkeeping (Contractors): If the recipient procured goods and services, did its records document that it did so in compliance with the requirements of the Uniform Administrative Requirements, including the codes of conduct and conflict of interest requirements, and did the recipient retain copies of all procurement contracts? **NOTE**: The HUD reviewer MUST complete the relevant procurement exhibit (as noted in instructions above) to answer this question. [24 CFR 576.404(b); 24 CFR 85.36 or 2 CFR 200.317-200.326 (as applicable); and 24 CFR 576.500(v)(2)]	☐ Yes	☐ No	☐ N/A
Describe Basis for Conclusion:			

34.

Recordkeeping (Program Participant Eligibility): Does the recipient have written policies and procedures in place that ensure that the recipient and/or its subrecipients are: a. conducting an initial evaluation and re-evaluations as required, and b. documenting eligibility in accordance with HUD requirements? [24 CFR 576.400(e)(3); 24 CFR 576.401(a), (b), and (c); 24 CFR 576.500(a), (b), (c), and (e)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

35.

Recordkeeping (Services and Assistance Provided): Did the recipient maintain records of, or ensure that its subrecipients maintain records of, the types of essential services, rental assistance, and housing stabilization and relocation services provided, including the amounts expended on these services and assistance? [24 CFR 576.500(l)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

36.

Recordkeeping (Record Retention): Did the recipient retain copies of, or ensure that its subrecipients retained copies of, the required records for the greater of 5 years or the applicable time period below: a. for emergency shelters subject to a 10-year minimum period of use: at least 10 years from the date that ESG funds were first obligated for the major rehabilitation or conversion of the building; or b. for program participant files: at least 5 years after the expenditure of all funds from the grant under which the program participant was served? [24 CFR 576.500(y)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

D. HOMELESS MANAGEMENT INFORMATION SYSTEM (HMIS)

37.

Data Collection and Recordkeeping: Did the recipient document that it ensured that data on all persons served under ESG, under all components, and all activities assisted under ESG were entered into the applicable community-wide HMIS or, for victim services providers (and legal services providers that opt out), into a comparable database in accordance with HUD's HMIS data standards? **NOTE**: The recipient and its subrecipients must be able to provide documentation, such as monitoring letters or HMIS reports, that	☐ Yes ☐ No ☐ N/A

document that subrecipient client-level and activity data are being entered into the applicable CoC's HMIS (or a comparable database). [24 CFR 576.400(f); 24 CFR 576.500(n); 2014 HMIS Data Standards]	
Describe Basis for Conclusion:	

38.

<u>Eligible costs:</u> If the recipient is the HMIS Lead, do records reflect that ESG funds used to pay the recipient's HMIS costs were limited to those activities listed at 24 CFR 576.107(a)(1) and (2)? [24 CFR 576.107(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

39.

<u>Eligible costs (HMIS)</u>: If the recipient is not the HMIS Lead, did the recipient use ESG funds only for costs eligible at 24 CFR 576.107(a)(1), to enable ESG projects to contribute data to the HMIS designated by the CoC, or 24 CFR 576.107(a)(3), for ESG subrecipients that are victim service providers (or legal services providers that opt out) to establish and operate a comparable database? [24 CFR 576.107(a)(1) and (3)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

40.

<u>Reporting</u>: Did the recipient comply with the reporting requirements in the Uniform Administrative Requirements; the Integrated Disbursement and Information System (IDIS) (financial reporting); 24 CFR part 91 (Consolidated Annual Performance and Evaluation Report requirements); and the Federal Funding Accountability and Transparency Act (FFATA)? [24 CFR 576.500(aa)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

41.

Does the recipient have a system in place for complying with all requirements of the Federal award, including Federal Funding Accountability and Transparency Act of 2006 (FFATA) and System for Award Management requirements provided under 2 CFR parts 25 and 170? (If yes, describe the system.) [24 CFR 576.500(a), (aa); 2 CFR 200.300(b); ESG Grant Agreement]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

E. OTHER ESG-SPECIFIC REQUIREMENTS

42.

Conflicts of Interest (Organizational): Does a representative sample of the recipient's records reveal zero instances where: a. any type or amount of ESG assistance was conditioned on acceptance of shelter or housing owned by the recipient, subrecipient, contractor, or any parent or subsidiary of the subrecipient or contractor; or b. a subrecipient or contractor carried out the initial evaluation for a program participant while the individual or family was occupying housing owned by the subrecipient or contractor, or any parent or subsidiary of the subrecipient or contractor; or c. a subrecipient or contractor administered any homelessness prevention assistance to an individual or family occupying housing owned by the subrecipient or contractor, or any parent or subsidiary of the subrecipient or contractor? [24 CFR 576.404(a); regarding contractors, 24 CFR 576.404(c)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

43.

Conflicts of Interest (Individual): Do the recipient's records: a. contain personal conflicts of interest policy or codes of conduct developed and implemented to comply with the requirements in 24 CFR 576.404(b); b. demonstrate that the officers and staff of the recipient, its subrecipients, and any contractors complied with the individual conflict of interest requirements at 24 CFR 576.404(b); and c. contain documentation supporting any exceptions to the personal conflicts of interest prohibition? [24 CFR 576.404(b); 24 CFR 576.500(p); regarding contractors, 24 CFR 576.404(c)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

44.

Confidentiality: Did the recipient have written procedures to ensure the security, privacy, and confidentiality of records as required in 24 CFR 576.500(x), including: a. that all records containing personally identifying information of any individual or family who applies for and/or receives ESG assistance were kept secure and confidential; b. the address or location of any domestic violence, dating violence, sexual assault, or stalking shelter project assisted under ESG; and c. the address or location of any program participant housing? [24 CFR 576.500(x)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

45.

Terminating Assistance: Did the recipient establish a formal process, or ensure its subrecipients established a formal process, for terminating assistance that recognizes the rights of individual being terminated? [24 CFR 576.402]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

46.

Homeless Participation (Local Governments/Territories): Do the recipient's records document that the recipient either: a. provided for the participation of not less than one homeless individual or formerly homeless individual on the board of directors or other equivalent policy-making entity of the recipient, or b. implemented a plan, as described in the recipient's Annual Action Plan, to consult with homeless or formerly homeless individuals in considering and making policies and decisions regarding any facilities, services, or other assistance that receive funding under ESG? **NOTE:** It is not acceptable for the plan to simply pass the requirement down to subrecipients. There must be participation at the recipient level. [24 CFR 576.405(a); 24 CFR 576.405(b); 24 CFR 576.500(q)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

47.

Homeless Participation: Did the recipient involve homeless individuals and families, to the maximum extent practicable: a. in constructing, renovating, maintaining, and operating facilities assisted under ESG; b. in providing services assisted under ESG; and c. in providing services for occupants of facilities assisted under ESG? **NOTE:** This involvement may include employment or volunteer services. [24 CFR 576.405(c); 24 CFR 576.500(q)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

48.

Did the recipient ensure that, in providing ESG assistance, no program participant or prospective program participant was discriminated against on the basis of religion or religious belief? **NOTE:** To answer this question, the HUD reviewer should look at the recipient's written policies and requirements for its subrecipients as well as a representative sample of applicant records, where the individual or family was determined ineligible for ESG assistance. Under 24 CFR 576.500(d), the recipient's records must include documentation of the	☐ Yes ☐ No ☐ N/A

reason for each determination that an individual or family is ineligible to receive ESG assistance. [24 CFR 576.406(d); 24 CFR 576.500(r)]	
Describe Basis for Conclusion:	

49.

Faith-Based Activities: Does the documentation show that the recipient and its subrecipients did not engage in inherently religious activities, such as worship, religious instruction, or proselytization as part of the programs or services funded under ESG; AND if the recipient or any subrecipients conducts these activities, were they offered separately, in time or location, from the programs or services funded under ESG, and was participation voluntary for all program participants? [24 CFR 576.406(b); 24 CFR 576.500(r)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

50.

Faith-Based Activities (Rehabilitation): Do the recipient's written policies and records indicate that the recipient ensured that no ESG funds were used to renovate a sanctuary, chapel, or other room used as a principal place of worship? [24 CFR 576.406(e); 24 CFR 576.500(r)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

51.

Faith-Based Activities (Rehabilitation): If a structure is used for both eligible activities and inherently religious activities, did the recipient ensure that the amount of ESG funds used was limited to costs of those portions of the rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to ESG funds? [24 CFR 576.406(e); 24 CFR 576.500(r)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

F. ADMINISTRATIVE COSTS

52.

Eligible activities: Does the recipient's documentation show that all recipient expenses are allowable (as determined by a review of at least a sample of program component and administrative costs)? **NOTE**: To answer this question with respect to 2 CFR 200.403, the HUD reviewer MUST complete Exhibit 34-2, *Guide for Review of Cost Allowability*. [24 CFR 576.100-576.109; 24 CFR 576.500(u)(2); 24 CFR 85.22, 2 CFR 200.403]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

53.

<u>Expenditure Limit (Emergency Shelter and Street Outreach)</u>: Do the recipient's records document that the total amount of the recipient's fiscal year grant used for street outreach and emergency shelter activities did not exceed the greater of: a. 60% of the recipient's fiscal year (FY) grant; or b. the amount of FY 2010 grant funds committed for homeless assistance activities? [24 CFR 576.100(b); 24 CFR 576.500(u)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

54.

<u>Expenditure Limit (Administrative Activities)</u>: Do the recipient's records document that the total amount that the recipient used for administrative activities did not exceed 7.5% of the recipient's fiscal year grant? [24 CFR 576.100(c); 24 CFR 576.108(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

55.

<u>Administrative Costs</u>: If any staff time was spent on Consolidated Plan preparation or environmental review, was it charged to Administrative activities? [24 CFR 576.108(a)(3); 24 CFR 576.108(a)(4)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

56.

<u>Training Costs</u>: If any staff time was spent on training: a. was it only for providing training on ESG requirements, attending HUD-sponsored ESG training, training staff on using HMIS or a comparable database, or attending HUD-approved training on HMIS and programs authorized by Title IV of the McKinney-Vento Homeless Assistance Act; and b. was it charged to the appropriate component (only HMIS for HMIS-related training, and Administrative costs for all other training)? [24 CFR 576.108(a)(2); 24 CFR 576.107(a)(1)(vii)(F); 24 CFR 576.107(a)(1)(viii)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

57.

<u>Sharing Administrative Costs (States)</u>: If the recipient is a state, did it share a reasonable amount of funds for administrative costs with its subrecipients that are units of general purpose local government? [24 CFR 576.108(b)(1)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

G. FINANCIAL MANAGEMENT

58.

Pre-award Costs: If any costs charged to the grant were incurred before the recipient signed the grant agreement, did those costs meet the requirements provided in that grant agreement or other applicable HUD written approval of pre-award costs? **NOTE:** For FY 2014, FY 2015, and FY 2016, HUD established special pre-award cost authorization and requirements in CPD Notices 13-010,14-015, and 16-01 respectively. [ESG Grant Agreement; 24 CFR 576.407(c); and either 2 CFR part 225, Appendix B, Item 31 (for costs incurred under former cost principles at 2 CFR part 225) or 2 CFR 200.458 (for costs subject to 2 CFR part 200)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

59.

Matching Requirement (Local Governments): If the recipient is a metropolitan city or an urban county, did it make matching contributions to supplement its ESG program in an amount that equals the amount of ESG funds provided by HUD? [24 CFR 576.201(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

60.

Matching Requirement (States): If the recipient is a State, did it: a. make matching contributions to supplement its ESG program in an amount that equals the amount of ESG funds provided by HUD except for the first $100,000 of the fiscal year grant, which is not required to be matched, and b. transfer the benefit of this exception to its subrecipients that are least capable of providing the recipient with matching contributions? [24 CFR 576.201(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

H. OTHER FEDERAL REQUIREMENTS

61.

Drug-Free Workplace: Does the recipient have a drug-free workplace statement per the requirements of 2 CFR part 2429? [24 CFR 5.105(d); 24 CFR 576.407(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

62.

Drug-Free Workplace: If the requirements of the Drug-Free Workplace Certification were reviewed, is the recipient in compliance? [24 CFR 5.105(d); 24 CFR 576.407(a); 2 CFR part 2429]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

63.

Lobbying: Were the certifications required under 24 CFR 87.110 filed by the recipient and all subrecipients and contractors that received a subgrant, contract, or subcontract exceeding $100,000 at any tier under the recipient's grant? [24 CFR 5.105(b); 24 CFR 87.110; 24 CFR 576.407(a); 24 CFR 576.500(s)(4)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

64.

Lobbying: Did the recipient and each subrecipient and contractor that filed a certification also submit the appropriate disclosure forms, if and as required under24 CFR part 87? [24 CFR 5.105(b); 24 CFR 576.407(a); 24 CFR 576.500(s)(4) and 24 CFR part 87]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

65.

Uniform Relocation Assistance: If ESG grant funds were used to assist projects involving acquisition, demolition, or rehabilitation, has the recipient: a. taken all reasonable steps to minimize displacement of persons; and b. complied with all requirements in the applicable regulations; and (c) documented such compliance? [24 CFR 576.408; 24 CFR 576.500(t)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

66.

Environmental Review Responsibilities: Were there separate Environmental Review Records (ERR) for each activity or cost? [Grant Agreement; 24 CFR 576.500(s)(3); 24 CFR 58.38]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

67.

Environmental Review Responsibilities: Do the ERRs reviewed contain written determinations in those cases in which the responsible entity (RE) or its recipients claim that activities/projects are "categorically excluded" or "exempt?" [Grant Agreement; 24 CFR 58.34(b); 24 CFR 58.35(d)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

68.

Environmental Review Responsibilities: Do the ERRs reviewed contain documentation to support that applicable federal laws and authorities listed at 24 CFR 58.5 and 24 CFR 58.6 have been specifically addressed? [Grant Agreement; 24 CFR 58.38]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

69.

Environmental Review Responsibilities: If the recipient is not a state, does the file contain evidence of compliance with applicable flood insurance protection requirements when assistance was used for rehabilitation of real property located within the Special Flood Hazard Area (SFHA)? (Use Exhibit 27-1, *Guide for Review of Flood Insurance Protection*, in this Handbook.) [Grant Agreement; 24 CFR 576.500(s)(3); 24 CFR part 58]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

70.

Affirmative Outreach: Did the recipient and all of its subrecipients: a. make known that the use of the facilities, assistance, and services are available to all on a nondiscriminatory basis, and establish additional procedures, as required under 24 CFR 576.407(b); and b. take appropriate steps to ensure effective communication with persons with disabilities; and c. take reasonable steps to ensure meaningful access to programs and activities for limited English proficiency persons? (Use pertinent Exhibits in Chapter 22 as necessary.) [24 CFR part 5, Subpart A; 24 CFR 576.407(b); 24 CFR 576.500(s)(1); 24 CFR 8.6]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

71.

Section 6002 of the Solid Waste Disposal Act: Does the recipient have evidence of compliance with the procurement requirements of Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, and with guidelines of the Environmental Protection Agency? [24 CFR 576.407(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

72.

Transparency Act Reporting: Do the recipient and its subrecipients have evidence of compliance with the Federal Funding Accountability and Transparency Act (FFATA) requirements? [24 CFR 576.500(aa)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

73.

Audits: If this area was reviewed, were the recipient and its subrecipients in compliance with the Single Audit Act of 1984, as amended, and implementing regulations? **NOTE**: To answer this question with respect to 2 CFR 200.501, the HUD reviewer MUST complete Exhibit 34-1, section K ("Audit Requirements"). [24 CFR 576.407(c); 24 CFR 84.26; 24 CFR 85.26; 2 CFR 200.501]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

74.

Section 3: If applicable, were the recipient and its subrecipients in compliance with the applicable requirements of Section 3 of the Housing and Urban Development Act of 1968? [24 CFR part 135; 24 CFR 576.405(c); 24 CFR 576.407(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

Guide for Review of ESG Subrecipient Grant Management			
Name of Recipient:			
Name of Subrecipient(s):			
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, or grant agreement). If the requirement is not met, HUD must select "NO" in response to the question and make a finding of noncompliance. All other 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 assess the recipient's compliance with subrecipient grant management requirements of the Emergency Solutions Grants (ESG) program. HUD reviewers should use a combination of the information in program files and subrecipient staff interviews to answer the questions below. The Exhibit is divided into eight sections: Subgrants Management and Oversight; Systems Coordination Requirements; Recordkeeping; Homeless Management Information System (HMIS); Other ESG-Specific Requirements; Administrative Costs and Financial Management; Other Federal Requirements; and Additional 2 CFR 200 Review for Sub-Subawards.

As previously noted, the ESG rule at 24 CFR part 576 generally incorporates the uniform administrative requirements, cost principles, and audit requirements, which were recently revised and codified at 2 CFR part 200. This Exhibit contains both questions to monitor compliance with 2 CFR part 200 and questions to monitor compliance with the former uniform administrative requirements, cost principles, and audit requirements (i.e., 24 CFR parts 84 and 85 (2013), 2 CFR 225 and 230 (2013), OMB Circular A-133). For HUD's expectations on monitoring for compliance with the uniform administrative requirements, cost principles, and audit requirements during the period of transition to 2 CFR part 200, please see HUD's April 13, 2016, Notice CPD-16-04 (http://portal.hud.gov/hudportal/documents/huddoc?id=16-04cpdn.pdf).

The HUD reviewer must supplement this Exhibit with Exhibit 28-9 (covering the procurement requirements in 24 CFR parts 85 and 84) and Exhibit 34-3 (covering the procurement requirements in 2 CFR part 200), as applicable.

Where ESG funds were used for rental assistance or services, the HUD reviewer MUST complete the applicable Exhibits in Chapter 24 of this Handbook, *Lead-Based Paint Compliance*. NOTE: See Exhibit 24-2 (Services), Exhibit 24-3 (Tenant-Based Rental Assistance), or Exhibit 24-4 (Project-Based Rental Assistance).

This Exhibit can be used to either monitor a single subrecipient or multiple subrecipients. It is the responsibility of the HUD reviewer to ensure that the responses provide sufficient documentation to support the basis for the conclusions. Keep in mind that, if multiple entities are reviewed and a deficiency is identified for a single entity, a "No" response is required.

Questions:

A. SUBGRANTS MANAGEMENT AND OVERSIGHT

1.

Eligible Subrecipients: a. If the organization is a subrecipient of a state, is it a unit of general purpose local government (which can include a metropolitan city or urban county that receives ESG funds directly from HUD, or a combination of general purpose local governments recognized by HUD), or a private nonprofit organization within the state; or b. If the organization is a subrecipient of a metropolitan city, urban county, or territory, is it a private nonprofit organization? **NOTE**: A private nonprofit organization does not include a governmental organization, such as a public housing agency or housing finance agency. [24 CFR 576.2; 24 CFR 576.202]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

2.

Obligation Requirements (State subrecipients that are units of general purpose local government): Within 120 days after the date the state obligated its funds to a unit of general purpose local government, did the subrecipient obligate all of those funds by: a subgrant agreement with, or a letter of award requiring payment to, a private nonprofit organization; a procurement contract; and/or the written designation of a department within the government of the subrecipient to directly carry out an eligible activity? [24 CFR 576.203(a)(1)(ii)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

3.

Payments to Subrecipients (Units of General Purpose Local Government): If the subrecipient is a unit of general purpose local government, did it pay each of its subrecipients for allowable costs within 30 days after receiving the subrecipient's complete payment request? [24 CFR 576.203(c)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

B. SYSTEMS COORDINATION REQUIREMENTS

4.

Coordination with Other Targeted Homeless Services: Does each subrecipient's records reflect that it coordinated and integrated, to the maximum extent practicable, ESG-funded activities with the programs, including those listed under 24 CFR 576.400(b), that are targeted to homeless people in the area covered by the Continuum of Care (CoC) or area over which the services are coordinated to provide a strategic, community-wide system to prevent and end homelessness for that area? [24 CFR 576.400(b); 24 CFR 576.500(m)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

5.

System and Program Coordination with Mainstream Resources: Does each subrecipient's records reflect that it coordinated and integrated, to the maximum extent practicable, ESG-funded activities with mainstream housing, health, social services, employment, education, and youth programs for which homeless and at-risk persons might be eligible? [24 CFR 576.400(c); 24 CFR 576.500(m)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

6.

Use of the Coordinated Assessment System: If the CoC for the area in which the program or project is located has established a coordinated assessment system that meets HUD's requirements, do the records show: a. that the subrecipient (unless it is a victim service provider) uses that assessment system; and b. all initial evaluations were conducted in accordance with the coordinated assessment system requirements? **NOTE**: ESG-funded victim service providers may choose not to use the CoC's coordinated assessment system. [24 CFR 576.400(d); 24 CFR 576.401(a); 24 CFR 576.500(g)	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

7.

Coordinated Assessment (Consistency with Written Standards): Did each subrecipient work with the CoC to ensure that the screening, assessment, and referral of program participants are consistent with the ESG written standards required under 24 CFR 576.400(e)? [24 CFR 576.400(d)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

8.

Establishing Written Standards (State Subrecipients): If a subrecipient of a state is required to establish its own written standards, did the subrecipient follow the state recipient's requirements for the establishment and implementation of these standards? [24 CFR 576.400(e)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

9.

Written Standards (Content): If a subrecipient of a state is required to establish its own written standards, did the written standards include the minimum required elements described in 24 CFR 576.400(e)(3)? [24 CFR 576.400(e)(3)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

C. RECORDKEEPING

10.

Recordkeeping (Subrecipients): If applicable, did the subrecipient retain copies of all solicitations of and agreements with its subrecipients, records of all payment requests by and dates of payments made to subrecipients, and documentation of all monitoring and sanctions of subrecipients? [24 CFR 576.500(v)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

11.

Recordkeeping (Eligibility): Does each subrecipient's records document that staff followed the recipient's policies and procedures to: a. conduct an initial evaluation and re-evaluations as required, and b. document eligibility in accordance with HUD's requirements? [24 CFR 576.400(e)(3); 24 CFR 576.401(a), (b), and (c); 24 CFR 576.500(a), (b), (c), and (e)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

12.

Recordkeeping (Program Participant Records): Did each subrecipient ensure that each program participant record documented compliance with applicable requirements for providing services and assistance to that program participant under the program components and eligible activities provisions at 24 CFR 576.101 through 24 CFR 576.106? [24 CFR 576.500(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

13.

Confidentiality: Did each subrecipient have written procedures to ensure confidentiality, including: a. all records containing personally identifying information of any individual or family who applies for and/or receives ESG assistance are kept secure and confidential; b. the address or location of any domestic violence, dating violence, sexual assault, or stalking shelter project assisted under ESG; and c. the address or location of any program participant housing? [24 CFR 576.500(x)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

14.

Recordkeeping (Record Retention): Did the recipient or its subrecipients retain copies of the required records for the greater of 5 years or the applicable time period below: a. for emergency shelters subject to a 10-year minimum period of use: at least 10 years from the date that ESG funds were first obligated for the major rehabilitation or conversion of the building; or b. for program participant files: at least 5 years after the expenditure of all funds from the grant under which the program participant was served? [24 CFR 576.500(y)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

D. HOMELESS MANAGEMENT INFORMATION SYSTEM (HMIS)

15.

Data Collection and Recordkeeping: Do records reflect that each subrecipient entered data on all persons it served under ESG and on all of its ESG activities into the applicable community-wide HMIS or, for victim services providers (and legal services providers that opt out), into a comparable database, in accordance with HUD's HMIS data standards? **NOTE**: Each subrecipient must be able to provide documentation, such as HMIS reports, that shows subrecipient client-level and activity-level data are being entered into the applicable CoC's HMIS (or a comparable database). [24 CFR 576.400(f); 24 CFR 576.500(n); 2014 HMIS Data Standards]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

16.

Eligible costs (HMIS): If the subrecipient is not a victim service provider, or a legal service provider that uses a comparable database, did the subrecipient use ESG funds only for costs eligible for the purpose of contributing data to the HMIS designated by the CoC? [24 CFR 576.107(a)(1)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

17.

Data entry (Comparable database): If the subrecipient is a victim service provider, or a legal services provider that uses a comparable database, were data maintained in the comparable database and not contributed or entered into an HMIS? [24 CFR 576.400(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

18.

Eligible costs (Comparable database): If the subrecipient is a victim service provider, or a legal services provider that uses a comparable database, were funds used for establishing and operating a comparable database that complies with HUD's HMIS requirements, including collecting client-level data over time (i.e., longitudinal data) and generating unduplicated aggregate reports? [24 CFR 576.400(f); 24 CFR 576.107(a)(3); 24 CFR 576.107(b)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

E. OTHER ESG-SPECIFIC REQUIREMENTS

19.

Matching Requirements: If the recipient required its subrecipients to contribute match, did the subrecipients' records reflect that they met the applicable requirements, including records of the source and use of matching funds? [24 CFR 576.201; 24 CFR 576.500(o) and (v)(3)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

20.

Conflicts of Interest (Organizational): Did a representative sample of the subrecipients' records reveal zero instances where: a. any type or amount of ESG assistance was conditioned on acceptance of shelter or housing owned by the recipient, subrecipient, contractor, or any parent or subsidiary of the subrecipient or contractor; or b. a subrecipient or contractor carried out the initial evaluation for a program participant while the individual or family was occupying housing owned by the subrecipient or contractor, or any parent or subsidiary of the subrecipient or contractor; or	☐ Yes ☐ No ☐ N/A

c. a subrecipient or contractor administered any homelessness prevention assistance to an individual or family occupying housing owned by the subrecipient or contractor, or any parent or subsidiary of the subrecipient or contractor? [24 CFR 576.404(a); regarding contractors, 24 CFR 576.404(c); 24 CFR 576.500(p)]	
Describe Basis for Conclusion:	

21.

Conflicts of Interest (Individual): Does each subrecipient's records: a. contain personal conflicts of interest policy or codes of conduct developed and implemented to comply with requirements; b. demonstrate that the officers and staff of the subrecipient and any contractors complied with the individual conflict of interest requirements at 24 CFR 576.404(b); or c. contain documentation supporting any exceptions to the personal conflicts of interest prohibition? [24 CFR 576.404(b); 24 CFR 576.500(p)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

22.

Homeless Participation: Did each subrecipient involve homeless individuals and families, to the maximum extent practicable, in constructing, renovating, maintaining, and operating facilities assisted under ESG, in providing services assisted under ESG, and in providing services for occupants of facilities assisted under ESG (could include employment or volunteer services)? [24 CFR 576.405(c)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

23.

Faith-Based Activities: Did each subrecipient ensure that it did not engage in inherently religious activities as part of the programs or services funded under ESG? If the subrecipient conducted these activities, were they offered separately, in time or location, from the programs or services funded under ESG, and was participation voluntary for all program participants? [24 CFR 576.406(b); 24 CFR 576.500(r)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

24.

Faith-Based Activities: Did each subrecipient ensure that it did not discriminate against a program participant or prospective program participant on the basis of religion or religious belief? [24 CFR 576.406(d); 24 CFR 576.500(r)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

25.

<u>Faith-Based Activities (Rehabilitation)</u>: Did each subrecipient ensure that ESG funds were not used for the rehabilitation of sanctuaries, chapels, or other rooms that an ESG-funded religious congregation uses as its principal place of worship? [24 CFR 576.406(e); 24 CFR 576.500(r)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

26.

<u>Faith-Based Activities (Rehabilitation)</u>: If a structure is used for both eligible and inherently religious activities, did the subrecipient ensure that the amount of ESG funds used was limited to the costs of those portions of the rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to ESG funds? [24 CFR 576.406(e); 24 CFR 576.500(r)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

<u>F. ADMINISTRATIVE COSTS AND FINANCIAL MANAGEMENT</u>

27.

<u>Eligible activities</u>: Were subrecipients' expenses allowable? **NOTE**: To answer this question with respect to 2 CFR 200.403, the HUD reviewer MUST complete Exhibit 34-2, *Guide for Review of Cost Allowability*. [24 CFR 576.100-576.109; 24 CFR 576.500(u)(2); 24 CFR 84.21(b)(6); 24 CFR 85.22, 2 CFR 200.403]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

28.

<u>Eligible Costs</u>: Did each subrecipient charge staff and overhead costs directly related to carrying out activities eligible under one of the components to the applicable activity, and retain supporting documentation for all costs charged to the grant? [24 CFR 576.100(d); 24 CFR 576.108(a); 24 CFR 576.500(u)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

29.

<u>Eligible Administrative Costs</u>: If a subrecipient received Administrative funds: a. were all administrative costs eligible in accordance with 24 CFR 576.108; and b. were the costs of carrying out the environmental review charged as an Administrative activity? [24 CFR 576.108(a)(1), (2), and (4)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

30.

Training Costs: If any staff time was spent on training: a. was it only for providing training on ESG requirements, attending HUD-sponsored ESG training, training staff on using HMIS or a comparable database, or attending HUD-approved training on HMIS and the ESG program; and b. was it charged to the appropriate component (only HMIS for HMIS-related training, and Administrative costs for all other training)? [24 CFR 576.108(a)(1), (2), and (4); 24 CFR 576.107]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

31.

Indirect Costs: If any indirect costs were charged to the grant, were allocations made to each eligible activity and consistent with an indirect cost rate proposal developed in accordance with the Uniform Administrative Requirements? [24 CFR 576.109; 2 CFR 576.500(u)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

32.

Eligible activities: Did a review of personnel costs charged to ESG, including a review of job descriptions, reveal that, for all staff time paid for with ESG funds, the staff member was working on eligible ESG activities? [24 CFR 576.500(u)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

G. OTHER FEDERAL REQUIREMENTS

33.

Drug-Free Workplace: Did each subrecipient have a drug-free workplace statement per the requirements of 2 CFR part 2429? [24 CFR 5.105(d) and 24 CFR 576.407(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

34.

If the requirements of the Drug-Free Workplace Certification were reviewed, is each subrecipient in compliance? [24 CFR 5.105(d); 24 CFR 576.407(a); 2 CFR part 2429]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

35.

Non-Discrimination, Section 504 of the Rehabilitation Act of 1973, and Other Equal Opportunity Requirements: Did records demonstrate that each subrecipient is in compliance with the applicable requirements in 24 CFR part 5, Subpart A, including the nondiscrimination and equal opportunity requirements at 24 CFR part 5.105(a)? (Use pertinent Exhibits in Chapter 22, as necessary.) [24 CFR part 5, Subpart A; 24 CFR 576.407(a); 24 CFR 576.500(s)(1)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

36.

Affirmative Outreach: Do the records indicate that the recipient and its subrecipients: a. make known that the use of the facilities, assistance, and services are available to all on a nondiscriminatory basis, and establish additional procedures, as required under 24 CFR 576.407(b), to ensure that the “target population” who may qualify are made aware of the availability of these facilities, assistance, or services; and b. take appropriate steps to ensure effective communication with persons with disabilities; and c. take reasonable steps to ensure meaningful access to programs and activities for persons with limited English proficiency (LEP)? (Use pertinent Exhibits in Chapter 22 as necessary.) [24 CFR part 5, Subpart A; 24 CFR 576.407(b); 24 CFR 576.500(s)(1)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

37.

Applicability of Uniform Administrative Requirements and OMB Circulars: If this area was reviewed, did each subrecipient maintain records documenting compliance with the applicable requirements outlined in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards? [24 CFR 576.407(c); 24 CFR 576.500(s)(2)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

38.

Audits: If this area was reviewed, was each subrecipient in compliance with the Single Audit Act of 1984, as amended, and implementing regulations? **NOTE**: To answer this question with respect to 2 CFR 200.501, the HUD reviewer MUST complete Exhibit 34-1, section K (“Audit Requirements”). [24 CFR 84.26; 24 CFR 85.26; 24 CFR 576.407(c); 2 CFR 200.501]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

39.

Lead-Based Paint: Where ESG funds were used for rental assistance (TBRA or PBRA) or supportive services, do records reflect that the subrecipient complied with all lead-based paint requirements? **NOTE**: See Chapter 24, *Lead-Based Paint Compliance*, in this Handbook: Exhibit 24-2 (Supportive Services), Exhibit 24-3 (TBRA), or Exhibit 24-4 (PBRA), as applicable, MUST be completed to answer this question. [24 CFR 35.700-730 (PBRA); 24 CFR 35.1000-1020 (Supportive Services); 24 CFR 35.1200-1225 (TBRA); 24 CFR 576.403(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

40.

In making an award to the subrecipient, did the recipient evaluate the subrecipient's risk of noncompliance with the Federal statutes, regulations, and terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring? **NOTE**: This evaluation may include consideration of factors such as: • the subrecipient's prior experience with the same or similar subawards; • the results of previous audits, including whether or not the subrecipient receives a Single Audit in accordance with Subpart F of 2 CFR part 200, and the extent to which the same or similar subaward has been audited as a major program; • whether the subrecipient has new personnel or new or substantially changed systems; and • the extent and results of previous HUD monitoring, if the subrecipient also receives funds directly from HUD. [24 CFR 576.407(c) and 2 CFR 200.331(b)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

41.

Section 3: If applicable, was each subrecipient in compliance with the applicable requirements of Section 3 of the Housing and Urban Development Act of 1968? [24 CFR part 135; 24 CFR 576.407(a); 24 CFR 576.405(c)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

H. ADDITIONAL 2 CFR PART 200 REVIEW FOR SUB-SUBAWARDS

NOTE: The following questions apply when a subrecipient carries out its subgrant by making subgrants to a lower tier of subrecipients. To ensure clarity and consistency with part 200, the term "pass-through entity" refers to the first or higher-tier subrecipient, and the term "subrecipient" refers to the subrecipient(s) at the lower tier.

42.

If the pass-through entity provides funds through either a subrecipient agreement or a contract, has it followed the criteria in 2 CFR 200.330 for making case-by-case determinations of whether the entity is receiving the funds in the role of either a subrecipient or contractor? [24 CFR 576.407(c); 2 CFR 200.330]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

43.

In making an award to a subrecipient, has the pass-through entity evaluated each subrecipient's risk of noncompliance with the Federal statutes, regulations, and terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring? **NOTE:** This evaluation may include consideration of factors such as: • the subrecipient's prior experience with the same or similar subawards; • the results of previous audits, including whether or not the subrecipient receives a Single Audit in accordance with Subpart F of 2 CFR part 200, and the extent to which the same or similar subaward has been audited as a major program; • whether the subrecipient has new personnel or new or substantially changed systems; and • the extent and results of previous HUD monitoring, if the subrecipient also receives funds directly from HUD. [24 CFR 576.407(c); 2 CFR 200.331(b)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

44.

For each subaward provided to a subrecipient, has the pass-through entity clearly identified it as a subaward to a subrecipient and included the following information at the time of the subaward: a. Federal award identification? b. Subrecipient name (which must match the name associated with the unique entity identifier)? c. Subrecipient's unique entity identifier? d. HUD award identification number? e. Federal award date, as defined in 2 CFR 200.39 (the date that HUD signed the award to the recipient)? f. Subaward period of performance start and end date? g. Total amount of the Federal award committed to the subrecipient by the pass-through entity? h. Amount of Federal funds obligated by this action by the pass-through entity to the subrecipient? i. Total amount of Federal funds obligated to the subrecipient by the pass-through entity, including the current obligation?	☐ Yes ☐ No ☐ N/A

j. Federal Award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA)? k. HUD's name, the name of the pass-through entity, and contact information for the awarding official of the pass-through entity? l. Catalog of Federal Domestic Assistance (CFDA) number and name of the HUD program under which the award is made? m. Identification of whether the award is Research & Development (R&D), if applicable? n. Indirect cost rate for the HUD award to the recipient? o. Indirect cost rate for the subaward (which must be an approved Federally-recognized indirect cost rate negotiated between the subrecipient and the Federal government or, if no such rate exists, either a rate negotiated between the pass-through entity and the subrecipient (in compliance with 2 CFR part 200), or a de minimis indirect cost rate as defined in §200.414(f))? p. All requirements imposed by the pass-through entity on the subrecipient so that the subaward is used in accordance with the Federal statutes, regulations, and the terms and conditions of the HUD award to the recipient? q. Any additional requirements imposed by the pass-through entity on the subrecipient in order for the pass-through entity to meet its own obligations under the ESG program, including identification of any required financial or performance reports? r. A requirement that the subrecipient permit the pass-through entity and auditors to have access to the subrecipient's records and financial statements as necessary for the pass-through entity to meet its requirements under 2 CFR part 200? s. Appropriate terms and conditions concerning closeout of the subaward? [24 CFR 576.407(c); 2 CFR 200.331(a)]	
Describe Basis for Conclusion:	

45.

a. For subawards provided to subrecipients, has the pass-through entity monitored the activities of the subrecipient as necessary, to ensure that the subaward was used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are being, or have been, achieved? [24 CFR 576.407(c); 2 CFR 200.331(d)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

b. Did the pass-through entity's monitoring of the subrecipient include: • Reviewing financial and performance reports required by the pass-through entity? • Following up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the subaward detected through audits, on-site reviews, or other means? • Issuing a management decision for audit findings pertaining to the subaward a required by 2 CFR 200.521? [24 CFR 576.407(c); 2 CFR 200.331(d)(1) – (3)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

46.

a. For each subrecipient provided a subaward, has the pass-through entity determined whether the subrecipient met or exceeded the audit threshold set in 2 CFR 200.501 for the respective fiscal year? [24 CFR 576.407(c); 2 CFR 200.331(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	
b. If a subrecipient meets the audit threshold in 2 CFR 200.501, has the pass-through entity verified that the subrecipient is audited as required by Subpart F of 2 CFR part 200? [24 CFR 576.407(c); 2 CFR 200.331(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

47.

For each subrecipient receiving a subaward, has the pass-through entity considered whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the pass-through entity's own records? [24 CFR 576.407(c); 2 CFR 200.331(g)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

48.

If the pass-through entity found any subrecipient non-noncompliant, did the pass-through entity consider taking enforcement action against the subrecipient per 2 CFR 200.338 and the program regulations? [24 CFR 576.407(c); 2 CFR 200.331(h)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

Guide for Review of ESG Street Outreach Requirements			
Name of Recipient:			
Name of Subrecipient(s):			
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, or grant agreement). If the requirement is not met, HUD must select "NO" in response to the question and make a finding of noncompliance. All other 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 assess the recipient's compliance with the Street Outreach component of the Emergency Solutions Grant (ESG) program. The eligible activity areas of review include the costs charged to this component as essential services necessary to reach out to unsheltered homeless people; connect them with emergency shelter, housing, or critical services; and provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility.

This Exhibit can be used to monitor a recipient, a single subrecipient, or multiple subrecipients. It is the responsibility of the HUD reviewer to ensure that the responses provide sufficient documentation to support the basis for the conclusions. Keep in mind that, if multiple entities are reviewed and a deficiency is identified for a single entity, a "No" response is required.

Questions:

1.

Were persons assisted with street outreach essential services determined and documented to be eligible for assistance? [24 CFR 576.401(a); 24 CFR 576.500(b)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

2.

Street Outreach: Were street outreach costs limited to the costs of: providing essential services necessary to reach out to unsheltered homeless people; connecting unsheltered homeless people with emergency shelter, housing, or critical services; and providing urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility? [24 CFR 576.101(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

3.

Engagement: Were ESG funds used for Street Outreach engagement limited to the costs listed under 24 CFR 576.101(a)(1)? [24 CFR 576.101(a)(1)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

4.

Case Management: Were ESG funds used only for the costs of assessing housing and service needs, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant, for services and activities listed under 24 CFR 576.101(a)(2)? [24 CFR 576.101(a)(2)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

5.

Emergency Health Services: Were ESG funds used for emergency health services limited to the costs of direct outpatient treatment of medical conditions (as listed under 24 CFR 576.101(a)(3)) that is provided: a. by licensed medical professionals operating in community-based settings, including streets, parks, and other places where unsheltered homeless people are living, and b. only to the extent that other appropriate health services are inaccessible or unavailable within the area? [24 CFR 576.101(a)(3)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

6.

Emergency Mental Health Services: Were ESG funds used for emergency mental health services limited to the costs associated with direct outpatient treatment (as listed under 24 CFR 576.101(a)(4)) that is provided: a. by licensed professionals of mental health conditions operating in community-based settings including streets, parks, and other places where unsheltered people are living, and b. only to the extent that other appropriate health services are inaccessible or unavailable within the area? [24 CFR 576.101(a)(4)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

7.

Transportation: Were ESG funds used for transportation limited to the following eligible costs: a. the transportation costs of travel by outreach workers, social workers, medical professionals, or other service providers, and that the travel took place during the provision of services eligible under this section; and b. the costs of transporting unsheltered people to emergency shelters or other service facilities, as listed under 24 CFR 576.101(a)(5)? [24 CFR 576.101(a)(5)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

8.

Minimum Period of Use: Did the recipient ensure that outreach services were provided to unsheltered homeless individuals and families for at least the period during which ESG funds were provided (e.g., the length of the subrecipient agreement)? [24 CFR 576.101(b)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

9.

Maintenance of Effort: If the recipient or subrecipient is a unit of general purpose local government, and its ESG funds were used to replace local government funding of street outreach services, did HUD determine that the unit of general purpose local government was in a severe financial deficit according to the guidelines at 24 CFR 576.101(c)(2)? [24 CFR 576.101(c)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

10.

Written Standards: Were all activities carried out in compliance with the applicable written standards for targeting and providing essential services related to street outreach? [24 CFR 576.400(e)(1), (2), and (3)(ii)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

Guide for Review of ESG Emergency Shelter Requirements			
Name of Recipient:			
Name of Subrecipient(s):			
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, or grant agreement). If the requirement is not met, HUD must select "NO" in response to the question and make a finding of noncompliance. All other 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 assess the recipient's compliance with the Emergency Shelter component of the Emergency Solutions Grant (ESG) program. The eligible activity areas of review include the costs of providing essential services to homeless families and individuals in emergency shelters, renovating buildings to be used as emergency shelter for homeless families and individuals, and operating emergency shelters. This Exhibit is divided into two sections: Eligible Activities in Emergency Shelters; and Other Requirements for Emergency Shelters.

This Exhibit can be used to monitor a recipient, a single subrecipient, or multiple subrecipients. It is the responsibility of the HUD reviewer to ensure that the responses provide sufficient documentation to support the basis for the conclusions. Keep in mind that, if multiple entities are reviewed and a deficiency is identified for a single entity, a "No" response is required.

Questions:

A. ELIGIBLE ACTIVITIES IN EMERGENCY SHELTERS

1.

Did the recipient's or its subrecipients' records reflect that each emergency shelter funded with ESG meet the definition of emergency shelter? [24 CFR 576.2; 24 CFR 576.102]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

2.

Were all essential services provided only in an emergency shelter or to homeless individuals and families staying in emergency shelter? [24 CFR 576.102(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

3.

Essential Services (Case Management): Were ESG funds used for the costs of eligible activities listed under 24 CFR 576.102(a)(1)(i)(A)-(H), for the purposes of assessing housing and service needs, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant? [24 CFR 576.102(a)(1)(i)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

4.

Essential Services (Childcare): Were ESG funds used for eligible costs of childcare, including providing meals and snacks, comprehensive and coordinated sets of appropriate developmental activities, and also: a. in a childcare center that was licensed by the jurisdiction in which it operates; and b. for program participants under the age of 13 (unless the child is disabled and then the child must be under the age of 18)? [24 CFR 576.102(a)(1)(ii)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

5.

Essential Services (Education Services): Were ESG funds used for the costs of improving knowledge and basic educational skills, including eligible services and activities, only when necessary for the program participant to obtain and maintain housing, and as listed under 24 CFR 576.102(a)(1)(iii)? [24 CFR 576.102(a)(1)(iii)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

6.

Essential Services (Employment Assistance and Job Training): Were ESG funds used for eligible costs of employment assistance and job training programs, including, but not limited to, classroom, online and/or computer instruction; on-the-job instruction; and services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential, and providing reasonable stipends to program participants in employment assistance and job training programs? [24 CFR 576.102(a)(1)(iv)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

7.

<u>Essential Services (Outpatient Health Services)</u>: Were ESG funds used for the provision of direct outpatient treatment of medical conditions (as listed under 24 CFR 576.102(a)(1)(v)), and is the treatment provided: a. by licensed medical professionals, and b. only to the extent that other appropriate health services are unavailable within the community? [24 CFR 576.102(a)(1)(v)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

8.

<u>Essential Services (Legal Services)</u>: Were legal services costs paid for with ESG funds only used: a. for hourly fees, or, if the cost was less than the cost of hourly fees, fees based on the actual service performed (i.e., fee for service); b. for legal advice and representation by attorneys licensed and in good standing with the bar association of the State in which the services are provided, or by person(s) under the supervision of the licensed attorney, regarding matters that interfere with the program participant's ability to obtain and retain housing; c. only to the extent that other appropriate legal services are unavailable or inaccessible within the community; and d. only for eligible subjects, services, and activities listed in 24 CFR 576.102(a)(1)(vi)? [24 CFR 576.102(a)(1)(vi)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

9.

<u>Essential Services (Life Skills Training)</u>: Were ESG funds used for the eligible costs of teaching critical life management skills that might never have been learned or have been lost during the course of physical or mental illness, domestic violence, substance abuse, and homelessness, as listed under 24 CFR 576.102(a)(i)(vii), and was the training necessary to assist the program participant to function independently in the community? [24 CFR 576.102(a)(i)(vii)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

10.

Essential Services (Mental Health Services): Were ESG funds used for the provision of eligible treatment of mental health conditions, as described under 24 CFR 576.102(a)(1)(viii), and was that treatment: a. by licensed professionals; and b. only to the extent that other appropriate health services are unavailable or inaccessible within the community? [24 CFR 576.102(a)(1)(viii)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

11.

Essential Services (Substance Abuse Treatment Services): Were ESG funds used for eligible substance abuse treatment services (as listed under 24 CFR 576.102(a)(1)(ix)) designed to prevent, reduce, eliminate or deter relapse of substance abuse or addictive behaviors, and were the services: a. provided by licensed or certified professionals, and b. only to the extent that other appropriate substance abuse treatment are unavailable or inaccessible within the community? [24 CFR 576.102(a)(1)(ix)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

12.

Essential Services (Transportation): Were ESG funds used for transportation costs for travel by program participants to and from medical care, employment, child care, or other eligible essential services facilities, and only for eligible costs as listed under 24 CFR 576.102(a)(1)(x)? [24 CFR 576.102(a)(1)(x)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

13.

Renovation: If ESG funds were used for renovation, including major rehabilitation of an emergency shelter or conversion of a building into an emergency shelter: a. were ESG funds used only for the costs of labor, materials, tools, and other eligible costs for renovation; and b. was the emergency shelter owned by a government entity or private nonprofit organization? [24 CFR 576.102(a)(2)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

14.

Shelter Operations: Did the recipient's or its subrecipients' records document that ESG funds were used for the costs of maintenance, rent, security, fuel, equipment, insurance, utilities, food, furnishings, supplies necessary for the operation of the emergency shelter, and, when no appropriate emergency shelter is available, for hotel or motel vouchers for homeless families or individuals? [24 CFR 576.102(a)(3); 24 CFR 576.500(k); 24 CFR 576.500(u)(2)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

B. OTHER REQUIREMENTS FOR EMERGENCY SHELTERS

15.

Terminating Assistance: If the recipient or its subrecipients terminated any participants from the program, did they: a. do so in accordance with a formal process established by the recipient or subrecipient that recognizes the rights of individuals affected; and b. examine all extenuating circumstances in determining when violations warrant termination so that a program participant's assistance is terminated only in the most severe cases? [24 CFR 576.402(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

16.

Uniform Relocation Assistance (URA): If ESG funds were used to provide relocation assistance for displaced persons, did those persons meet the definition of "displaced person" under 24 CFR 576.408(c)(2) and did the assistance consist only of costs authorized under 24 CFR 576.102(a)(4) and 24 CFR 576.408(c)(1)? [24 CFR 576.102(a)(4); 24 CFR 576.408(c)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

17.

Minimum Period of Use (Renovation): Are all buildings renovated with ESG funds being maintained as a shelter for homeless individuals and families for a period, starting from the date they were first occupied by a homeless individual or family after the completed renovation, of not less than: a. 10 years for major rehabilitation; b. 10 years for conversion; c. 3 years for renovation other than major rehabilitation or conversion? [24 CFR 576.102(c)(1)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

18.

Minimum Period of Use (Essential Services/Shelter Operations): Where the recipient or its subrecipient has used ESG funds under the Emergency Shelter component solely for essential services or shelter operations, has the recipient or subrecipient provided services or shelter to homeless individuals and families at least for the period during which the ESG funds are provided? [24 CFR 576.102(c)(2)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

19.

Maintenance of Effort: If the recipient or its subrecipient is a unit of general purpose local government, and ESG funds were used to replace local government funding for emergency shelter services, did HUD determine that the unit of general purpose local government was in a severe financial deficit? [24 CFR 576.500(l); 24 CFR 576.102(d)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

20.

Involuntary Family Separation (Emergency Shelter): Did the recipient or its subrecipients have policies and procedures in place to ensure that providers of emergency shelter that serve households with children under 18 do not deny admission to a family based on the age of any child under 18? [24 CFR 576.102(b)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

21.

State or Local Safety and Sanitation Standards: If ESG funds were used for shelter renovation (including major rehabilitation or conversion of a building to be used as an emergency shelter), does the shelter meet state or local government safety and sanitation standards (as applicable)? [24 CFR 576.403(b)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

22.

<u>Minimum ESG Habitability Standards</u>: If ESG funds were used for shelter operations or renovation, do the records of the recipient and its subrecipients reflect that the shelter met the minimum safety, sanitation, and privacy standards set forth at 24 CFR 576.403, including inspection reports required by 24 CFR 576.500(j)? [24 CFR 576.403(b); 24 CFR 576.500(j)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

23.

<u>Recordkeeping (Emergency Shelters)</u>: Did the recipient or its subrecipients keep records of the emergency shelters assisted under the ESG program, including: a. the amounts and type of assistance, including essential services, provided to each emergency shelter; b. if applicable, documentation of the value of the building before the rehabilitation of an existing shelter or after the conversion of a building into an emergency shelter, and copies of the recorded deed or use restrictions? [24 CFR 576.500(k)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

24.

<u>Written Standards</u>: Were all activities carried out in compliance with the applicable written policies and procedures for admission, diversion, referral, and discharge by emergency shelters assisted under ESG, including standards regarding length of stay, if any, and safeguards to meet the safety and shelter needs of special populations, e.g., victims of domestic violence, dating violence, sexual assault, and stalking; and individuals and families who have the highest barriers to housing and are likely to be homeless the longest? [24 CFR 576.400(e)(1); 24 CFR 576.400(e)(2); 24 CFR 576.400(e)(3)(iii)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

25.

<u>Written Standards</u>: Were all activities carried out in compliance with the applicable written policies and procedures for assessing, prioritizing, and reassessing individuals' and families' needs for essential services related to emergency shelter? [24 CFR 576.400(e)(1), (2), and (3)(iv)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

26.

Written Standards: Were all activities carried out in compliance with the applicable written policies and procedures for coordination among emergency shelter providers, essential services providers, homelessness prevention, and rapid re-housing assistance providers; other homeless assistance providers; and mainstream service and housing providers? [24 CFR 576.400(e)(1); 24 CFR 576.400(e)(2); 24 CFR 576.400(e)(3)(v)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

Guide for Review of ESG Rapid Re-housing and Homelessness Prevention Requirements			
Name of Recipient:			
Name of Subrecipient(s):			
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, or grant agreement). If the requirement is not met, HUD must select "NO" in response to the question and make a finding of noncompliance. All other 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 assess the recipient's compliance with the Rapid Re-housing and/or Homelessness Prevention component(s) of the Emergency Solutions Grant (ESG) program. The eligible activity areas of review include: Housing Relocation and Stabilization Services – Services; Housing Relocation and Stabilization Services – Financial Assistance; and Short- and Medium-term Rental Assistance. These activities are eligible when necessary to either (1) help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing, or (2) prevent an individual or family from moving into an emergency shelter or another place described in paragraph (1) of the "homeless" definition in 24 CFR 576.2. The Exhibit is divided into three sections: General Requirements; Housing Relocation and Stabilization Services; and Short- and Medium-term Rental Assistance. Section B is broken down into sub-sections for Financial Assistance Costs and Services Costs. Section C is broken down into sub-sections for General Requirements and Project-based Rental Assistance. Every question has a header identifying the specific area of review. If the ESG recipient has not funded a particular activity or cost, check the N/A box and continue on to the next section, sub-section, or question of the Exhibit.

This Exhibit can be used to monitor a recipient, a single subrecipient, or multiple subrecipients. It is the responsibility of the HUD reviewer to ensure that the responses provide sufficient documentation to support the basis for the conclusions. Keep in mind that, if multiple entities are reviewed and a deficiency is identified for a single entity, a "No" response is required.

Questions:

A. GENERAL REQUIREMENTS

1.

Initial Evaluation: Did the recipient or its subrecipient conduct an initial evaluation to determine each individual's or family's eligibility for rapid re-housing or homelessness prevention assistance and the amount and types of assistance the individual or family needs to regain stability in permanent housing? [24 CFR 576.401(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

2.

Eligibility Criteria (Homelessness Prevention): Did the recipient or its subrecipient document that all program participants who received homelessness prevention assistance: a. met the eligibility criteria of the "at risk of homelessness" definition or categories 2, 3, or 4 (if category 4, not sleeping in a place described in category (1)) of the "homeless" definition; and b. have an annual income (as determined in accordance with 24 CFR 5.609) below 30% AMI? [24 CFR 576.103; 24 CFR 576.401(c); 24 CFR 576.500(b); 24 CFR 576.500(c); 24 CFR 576.500(e); 24 CFR 576.500(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

3.

Eligibility Criteria (Rapid Re-housing): Did the recipient or its subrecipient document that all program participants who received rapid re-housing assistance met the eligibility criteria: a. under category (1) of the homeless definition, or b. under category (4) and live in an emergency shelter or place described in category (1) of the homeless definition? [24 CFR 576.104; 24 CFR 576.500(b); 24 CFR 576.500(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

4.

Re-evaluations (Rapid Re-housing/Homelessness Prevention): Do program participant records document that the recipient or its subrecipient re-evaluated program participants' eligibility and the types and amounts of assistance the program participant needs not less than once every 3 months for program participants receiving homelessness prevention assistance and not less than once annually for program participants receiving rapid re-housing assistance? [24 CFR 576.401(b)(1); 24 CFR 576.500(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

5.

Written Standards: a. Did the recipient and/or its subrecipients adopt written standards for the provision of homelessness prevention and rapid re-housing assistance, as required by 24 CFR 576.400(e)(1) and 24 CFR 576.400(e)(2)? b. Did these written standards cover the following topics (listed in 24 CFR 576.400(e)(3)): 1. evaluating individuals' and families' eligibility for assistance under ESG; 2. coordination among emergency shelter providers, essential services providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers; 3. determining and prioritizing which eligible families and individuals would receive homelessness prevention assistance and which eligible families and individuals would receive rapid re-housing assistance; 4. determining what percentage or amount of rent and utilities costs each program participant must pay while receiving homelessness prevention or rapid re-housing assistance; 5. determining how long the program participant will be provided with rental assistance and whether and how the amount of that assistance would be adjusted over time; 6. determining the type, amount, and duration of housing stabilization and/or relocation services to provide to the program participant? c. Do the program participant records show that homelessness prevention and rapid re-housing assistance were provided in accordance with the applicable written standards? [24 CFR 576.400(e)(1); 24 CFR 576.400(e)(2); 24 CFR 576.400(e)(3)(i); 24 CFR 576.400(e)(3)(v); 24 CFR 576.400(e)(3)(vi); 24 CFR 576.400(e)(3)(vii); 24 CFR 576.400(e)(3)(viii); 24 CFR 576.400(e)(3)(ix); 24 CFR 576.500(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

6.

Re-evaluations (Rapid Re-housing/Homelessness Prevention): Do program participant records document that each re-evaluation of eligibility established that the program participant: a. did not have an annual income that exceeds 30% AMI as established by HUD; and b. lacked sufficient resources and support networks necessary to retain housing without ESG assistance? [24 CFR 576.401(b)(1)(i)-(ii); 24 CFR 576.500(e); 24 CFR 576.500(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

7.

Recordkeeping (Ineligibility): For each individual and family determined ineligible to receive ESG assistance, did the recipient or its subrecipient document the reason for that determination? [24 CFR 576.500(d)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

8.

Eligible Costs (Homelessness Prevention): Were all homelessness prevention costs eligible and necessary to help the program participant regain stability in the program participant's current housing or to move into other permanent housing and achieve stability in that housing? [24 CFR 576.103; 24 CFR 576.500(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

9.

Housing Stability Case Management: While providing rapid re-housing or homelessness prevention assistance to a program participant, does the program participant file document that the program participant met with a case manager at least once per month to assist the participant in ensuring long-term housing stability? [24 CFR 576.401(e)(1); 24 CFR 576.500(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

10.

Housing Stability Case Management: While providing rapid re-housing or homelessness prevention assistance to a program participant, did the recipient or its subrecipient document in the program participant's file that it developed a plan to assist the program participant to retain permanent housing after the ESG assistance ends, taking into account all relevant considerations, such as the program participant's current or expected income and expenses, other public or private assistance for which the program participant will be eligible and likely to receive; and the relative affordability of available housing in the area? [24 CFR 576.401(e)(2); 24 CFR 576.500(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

11.

Connections to Mainstream and Other Resources: While providing rapid re-housing or homelessness prevention assistance to program participants, did the recipient or its subrecipients assist each program participant to obtain mainstream and other resources as needed? [24 CFR 576.401(d)(1); 24 CFR 576.401(d)(2); 24 CFR 576.500(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

12.

Recordkeeping (Program Participant Records): Did each program participant record document: a. the services and assistance provided to that program participant, including, as applicable, security deposit, rental assistance, and utility payments made on behalf of the program participant; and b. compliance with all applicable requirements for providing services and assistance to that program participant? [24 CFR 576.500(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

13.

Terminating Assistance: a. If the recipient or any of its subrecipients terminated any participants from the program, did they do so in accordance with a formal process established by the recipient or its subrecipient(s) that recognizes the rights of individuals affected, that met the following requirements: (1) written notice to the program participant containing a clear statement of the reasons for termination, (2) a review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate) who made or approved the termination decision, and (3) prompt written notice of the final decision to the program participant? b. Did the recipient and/or its subrecipient examine all extenuating circumstances in determining when violations warrant termination so that a program participant's assistance is terminated only in the most severe cases? [24 CFR 576.402(a); 24 CFR 576.402(b)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

14.

Lead-Based Paint: Where ESG funds were used for rental assistance (TBRA or PBRA) or supportive services, do records reflect that the recipient and subrecipient complied with all lead-based paint requirements? NOTE: Exhibit 24-2 (Supportive Services), Exhibit 24-3 (TBRA), or Exhibit 24-4 (PBRA), as applicable, MUST be completed to answer this question. See Chapter 24, *Lead-Based Paint Compliance*, in this Handbook. [24 CFR 35.700-730 (PBRA); 24 CFR 35.1000-1020 (Supportive Services); 24 CFR 35.1200-1225 (TBRA); 24 CFR 576.403(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

15.

Minimum Habitability Standards: Did the recipient and its subrecipients ensure that all housing units met the minimum habitability standards before incurring any costs to help program participants remain in or move into those housing units? [24 CFR 576.403(c); 24 CFR 576.500(j)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

16.

Conflicts of Interest (Organizational): Did the recipient and its subrecipients ensure that: a. no type or amount of ESG assistance was conditioned on an individual or family's acceptance of housing owned by the recipient, subrecipient, contractor, parent, or subsidiary of the subrecipient; and b. no subrecipient (nor any of its parent or subsidiary organizations) that owns housing, carried out the initial evaluation under 24 CFR 576.401, or administered homelessness prevention assistance for occupants of that subrecipient's housing? [24 CFR 576.404(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

B. HOUSING RELOCATION AND STABILIZATION SERVICES

Financial Assistance Costs: If the recipient has not expended ESG funds on Financial Assistance costs, check the N/A boxes and skip to the Services Costs subsection of this Exhibit.

17.

Financial Assistance Costs: Did the recipient and its subrecipients ensure that: a. no program participant received financial assistance under 24 CFR 576.105(a) that was of the same type of assistance that the program participant was receiving through other public sources; and b. no program participant who received replacement housing payments under the Uniform Relocation Act (URA) received financial assistance under 24 CFR 576.105(a) during the period of time covered by the URA payments? [24 CFR 576.105(d)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

18.

Financial Assistance Costs: Were eligible costs listed in 24 CFR 576.105(a) paid only to a housing owner, utility company, or other third party (not directly to the program participant)? [24 CFR 576.105(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

19.

Financial Assistance Costs (Rental Housing Application Fees): Were rental housing application fees paid for with ESG funds a standard charge issued by the owner to all applicants? [24 CFR 576.105(a)(1)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

20.

Financial Assistance Costs (Security Deposits): Were security deposits paid for with ESG funds equal to no more than 2 months' rent? [24 CFR 576.105(a)(2)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

21.

Financial Assistance Costs (Last Month's Rent): Were costs for the last month's rent paid for with ESG funds: a. necessary to obtain housing for a program participant; b. paid to the owner of the housing at the time the owner was paid the security deposit and first month's rent; c. less than or equal to one month's rent; and d. included in calculating the program participant's total rental assistance? [24 CFR 576.105(a)(3)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

22.

Financial Assistance Costs (Utility Deposits): Were utility deposits paid for with ESG funds only for eligible types of utility services (gas, electric, water, and sewage) and required by the utility company for all customers? [24 CFR 576.105(a)(4)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

23.

Financial Assistance Costs (Utility Payments): Were utility payments paid for with ESG funds: a. within the limit of 24 months of utility payments per program participant, per service, including up to 6 months of utility payments in arrears, per service; b. only provided when the program participant or a member of the same household has an account in his or her name with a utility company or proof of responsibility to make utility payments; and c. only for eligible types of utility services (gas, electric, water, and sewage)? [24 CFR 576.105(a)(5)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

24.

Financial Assistance Costs (Moving Costs): Were moving costs paid for with ESG funds only for moving-related activities such as truck rental, hiring a moving company, and allowable temporary storage fees (up to 3 months, fees accrued after the date the program participant began receiving services and before the program participant moves into permanent housing, and excluding storage fees in arrears)? [24 CFR 576.105(a)(6)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

Services Costs: If the recipient has not expended ESG funds on Services costs, check the N/A boxes and skip to the Short- and Medium-Term Rental Assistance section of this Exhibit (Section C).

25.

Services Costs (Housing Search and Placement): Were housing search and placement costs paid for with ESG funds: a. necessary to assist program participants in locating, obtaining, and retaining suitable permanent housing; and b. one of those listed in 24 CFR 576.105(b)(1)(i)-(viii)? [24 CFR 576.105(b)(1)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

26.

Services Costs (Housing Stability Case Management): Were the activities paid for with ESG funds: a. one of those listed in 24 CFR 576.105(b)(2)(A)-(H), and b. for the purposes of assessing, arranging, coordinating, or monitoring the delivery of individualized services to: (1) facilitate housing stability for a program participant who resides in permanent housing; or (2) to assist a program participant in overcoming immediate barriers to obtaining housing? [24 CFR 576.105(b)(2)(A)-(H)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

27.

Services Costs (Housing Stability Case Management): Were the housing stability case management costs paid for with ESG funds: a. under the Rapid Re-housing component, limited to: (1) 30 days during the period the program participant is seeking permanent housing; and (2) 24 months during the period the program participant is living in permanent housing; and b. under the Homelessness Prevention component, limited to 24 months? [24 CFR 576.105(b)(2)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

28.

Services Costs (Mediation Costs): Were mediation costs paid for with ESG funds necessary to prevent the program participant from losing permanent housing in which the program participant currently resides, and used for mediation between the program participant and the owner or person(s) with whom the participant is living? [24 CFR 576.105(b)(3)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

29.

Services Costs (Legal Services): Did the recipient and its subrecipients ensure that the legal services costs paid for with ESG funds consisted only of the following types of costs: a. for either: hourly fees for legal advice and representation by attorneys licensed and in good standing with the bar association of the State in which the services are provided, or by person(s) under the supervision of the licensed attorney; or fees based on the actual service performed (i.e., fee for service), where the recipient/ subrecipient documented that such costs were less than what the cost of hourly fees would have been; b. for filing fees and other necessary court costs; c. subrecipients' employees' salaries and other costs necessary to perform the services (if the subrecipient is a legal services provider and performs the services itself); and d. for the following component services: (1) client intake; (2) preparation of cases for trial; (3) provision of legal advice;	☐ Yes ☐ No ☐ N/A

(4) representation at hearings; (5) counseling? [24 CFR 576.102(a)(1)(vi)(A); 24 CFR 576.102(a)(1)(vi)(D); 24 CFR 576.102(a)(1)(vi)(E); 24 CFR 576.105(b)(4)]	
Describe Basis for Conclusion:	

30.

<u>Services Costs (Legal Services)</u>: Did the recipient and its subrecipients ensure that the legal services costs paid for with ESG funds were only used: a. to the extent necessary to resolve a legal problem that prohibits the program participant from obtaining permanent housing or will likely result in the program participant losing the permanent housing in which they currently reside; b. for the following subject matters: (1) landlord/tenant matters; (2) child support; (3) guardianship; (4) paternity; (5) emancipation; (6) legal separation; (7) orders of protection and other civil remedies for victims of domestic violence, dating violence, sexual assault, and stalking; (8) appeal of veterans and public benefit claim denials; and (9) the resolution of outstanding criminal warrants; and c. to the extent that other appropriate legal services were unavailable or inaccessible in the community? [24 CFR 576.105(b)(4); 24 CFR 576.102(a)(1)(vi)(B); 24 CFR 576.102(a)(1)(vi)(C)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

31.

<u>Services Costs (Credit Repair)</u>: Were credit repair costs paid for with ESG funds for counseling or other services necessary to assist program participants with critical skills related to household budgeting, managing money, accessing a free personal credit report, or resolving personal credit problems? [24 CFR 576.105(b)(5)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

32.

Services Costs (Credit Repair): Did credit repair costs paid for with ESG funds exclude the payment or modification of a debt? [24 CFR 576.105(b)(5)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

C. SHORT- AND MEDIUM-TERM RENTAL ASSISTANCE

General Requirements: If the recipient has not expended ESG funds on Short- or Medium-Term Rental Assistance, check the N/A boxes and skip to the next section.

33.

Rental Assistance (Limit): Did each program participant's total rental assistance, including any rental arrears and last month's rent, stay within the limit of 24 months during any 3-year period? [24 CFR 576.106(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

34.

Rental Assistance (Changes in Household Composition): Did the recipient and its subrecipients apply the limits on rental assistance to the total assistance each individual received, either as an individual or as part of a household? [24 CFR 576.106(j)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

35.

Rental Assistance (Use with Other Subsidies): Except for a one-time payment of rental arrears on the tenant's portion of the rental payment, did the provision of rental assistance exclude: a. program participants who were receiving tenant-based rental assistance or living in a housing unit receiving project-based rental assistance or operating assistance through other public sources; and b. program participants who were provided with replacement housing payments under the URA during the period of time covered by the URA payments? [24 CFR 576.106(c)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

36.

Rental Assistance (Fair Market Rent and Rent Reasonableness): Did the recipient and its subrecipients ensure that ESG rental assistance was only provided to units for which the rent complied with HUD's standard of rent reasonableness and did not exceed the applicable Fair Market Rent? NOTE: For this purpose, rent equals the sum of the total monthly rent for the unit, any fees required for occupancy under the lease (other than late fees and pet fees) and, if the tenant paid separately for utilities, the monthly allowance for utilities (excluding telephone) established by the public housing authority for the area in which the housing is located. [24 CFR 576.106(d)(1); 24 CFR 576.106(d)(2); 24 CFR 576.500(i)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

37.

Rental Assistance (Rental Assistance Agreement): Does the documentation show that the recipient or its subrecipients entered into a rental assistance agreement with each owner before providing the owner with rental assistance payments, including rental arrears? [24 CFR 576.106(e); 24 CFR 576.500(h)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

38.

Rental Assistance (Rental Assistance Agreement): Did each rental assistance agreement: a. set forth the terms under which rental assistance will be provided, including the requirements that apply under 24 CFR 576.106; b. provide that, during the term of the agreement, the owner must give the recipient or its subrecipient a copy of any notice to the program participant to vacate the housing unit, or any complaint used under state or local law to commence an eviction action against the program participant; and c. contain the same payment due date, grace period, and late payment penalty requirements as the program participant's lease? [24 CFR 576.106(e); 24 CFR 576.106(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

39.

Rental Assistance (Payments): Did the recipient or its subrecipient make timely payments to each owner in accordance with the rental assistance agreement? [24 CFR 576.106(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

40.

Rental Assistance (Payments): Did the recipient and its subrecipients pay any late payment penalties that they incurred only with non-ESG funds (i.e., no ESG funds were used to pay late payment penalties incurred by the recipient or subrecipient)? [24 CFR 576.106(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

41.

Rental Assistance (Leases): a. Does each program participant receiving rental assistance have a file that contains a legally binding, written lease between the program participant and the owner of the property or his/her agent for the rental unit; OR b. If the assistance was solely for rental arrears for a program participant who had an oral lease agreement in place: (1) does each agreement give the program participant an enforceable leasehold interest under state law; and (2) are the agreement and rent owed sufficiently documented by the owner's financial records, rent ledgers, or canceled checks? [24 CFR 576.106(g); 24 CFR 576.500(h)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

42.

Rental Assistance (Rental Arrears): Were the rental arrears paid for with ESG funds one-time payments that did not exceed 6 months of rent in arrears (including any late fees on those arrears)? [24 CFR 576.106(a)(3)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

43.

Recordkeeping (Homelessness Prevention and Rapid Re-housing): Did the recipient or its subrecipient keep records, including copies of documentation of payments made to owners for rental assistance provided, and supporting documentation for these payments, including dates of occupancy by program participants? [24 CFR 576.500(h)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

44.

Rental Assistance (TBRA): For tenant-based rental assistance, did the recipient and its subrecipients terminate the rental assistance agreement with the owner and stop providing rental assistance payments under that agreement when any of the following conditions were met: a. the program participant moved out of the unit for which the program participant has a lease; b. the lease terminated and was not renewed; or c. the program participant became ineligible to receive ESG assistance? [24 CFR 576.106(h)(3)(i)-(iii)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

Project-Based Rental Assistance (PBRA): If the recipient has not expended funds on PBRA, check the N/A boxes. This is the final subsection of the Exhibit.

45.

Rental Assistance (Project-based Rental Assistance): If the recipient or any of its subrecipients used ESG funds to pay the rent for a project-based unit before a program participant moved into the unit, does the program participant file reflect that : a. the program participant signed a lease and moved into the unit before the end of the month for which the first month's rent was paid; and b. the amount paid was less than or equal to the rent to be charged under the program participant's lease and included when determining that program participant's total rental assistance? [24 CFR 576.106(i)(2)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

46.

Rental Assistance (PBRA): Did the recipient and its subrecipients make monthly rental assistance payments only for months when a unit was leased to a program participant (either partial or the whole month)? [24 CFR 576.106(i)(3)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

47.

Rental Assistance (PBRA): For program participants living in housing with project-based rental assistance, does the program participant's file contain a lease with an initial term of at least 1 year AND did the recipient or its subrecipient (whoever signed the agreement) enter into a rental assistance agreement with the owner for an initial term of 1 year? [24 CFR 576.106(g); 24 CFR 576.106(i)(5)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

48.

Rental Assistance (PBRA): If a program participant was determined ineligible or reaches the maximum number of months over which rental assistance could be provided, did the recipient or its subrecipient suspend or terminate the rental assistance payments for the unit? [24 CFR 576.106(i)(4)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

49.

Rental Assistance (PBRA): Did the recipient and its subrecipients ensure that the term of occupancy in each program participant's lease was not conditioned on the provision of rental assistance payments, and if ESG-funded rental assistance was suspended, was the program participant allowed to remain in the unit as permitted under the lease? [24 CFR 576.106(i)(4)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

50.

Rental Assistance (PBRA – Expenditure Deadline): Did the recipient and its subrecipients commit ESG funds only to be expended: a. within the expenditure deadline in 24 CFR 576.203; and b. for current ESG grants (i.e., not before a grant is awarded)? [24 CFR 576.106(i)(5)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

Guide for Review of ESG Match Requirements			
Name of Recipient:			
Name of Subrecipient(s):			
Grant Number:			
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, or grant agreement). If the requirement is not met, HUD must select "NO" in response to the question and 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**."

<u>Instructions</u>: This Exhibit is designed to assess a recipient's adherence to the ESG program's Match requirements and the eligibility of the program's match expenditures. When completing this Exhibit, the HUD Reviewer must also complete Exhibit 28-8, or Exhibit 34-1 and 34-2, as directed in the instructions to Exhibit 28-8.

<u>Questions:</u>

NOTE: The following questions pertain to all ESG Program match contributions.

1.

If the recipient is a metropolitan city or an urban county, did it make matching contributions to supplement its ESG program in an amount that equals the amount of ESG funds provided by HUD? [24 CFR 576.201(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

2.

If the recipient is a State, did it: a. make matching contributions to supplement its ESG program in an amount that equals the amount of ESG funds provided by HUD except for the first $100,000 of the fiscal year grant, which is not required to be matched, and b. transfer the benefit of this exception to its subrecipients that are least able to provide the recipient with matching contributions? [24 CFR 576.201(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

3.

If the recipient counted costs paid by program income toward meeting the recipient's matching requirements, were those costs eligible ESG costs that supplemented the recipient's ESG program? [24 CFR 576.201(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

4.

a. Did the recipient keep records of the source and use of ESG matching contributions? b. Did the records indicate: i. the particular fiscal year grant for which each matching contribution was counted; ii. how the value placed on third-party, noncash contributions was derived; and iii. that volunteer services were supported, to the extent feasible, by the same methods that the organization uses to support the allocation of regular personnel costs? [24 CFR 576.500(o)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

NOTE: The following questions pertain to match contributions made before January 6, 2016.

5.

Did all match contributed before January 6, 2016, meet the following requirements: a. the matching contributions meet all requirements that apply to the ESG funds provided by HUD, except the expenditure limits; b. the matching contributions were provided after the date that HUD signed the grant agreement; c. cash contributions were expended within the expenditure deadline and noncash contributions were made within the expenditure deadline; d. the matching contributions were not used to match a previous or subsequent ESG grant; e. the matching contributions were not used to satisfy a matching requirement of another federal grant or award; and f. if the matching contributions included federal funds, their governing statutes do not prohibit them from being used as match for ESG? [24 CFR 576.201(c)(1)-(5) (as in effect before Jan. 6, 2016); 24 CFR 576.201(b)(2)(i) (as in effect before Jan. 6, 2016)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

6.

Did match contributed before January 6, 2016, consist only of: a. cash expended for allowable costs (as defined in OMB Circulars A-87 (2 CFR part 225) and A-122 (2 CFR part 230)) of the recipient or subrecipient; b. the value of any real property, equipment, goods, or services that (1) were contributed to the recipient's or subrecipient's ESG program and (2) would have been allowable costs if paid for with ESG funds; and/or c. the purchase value of any donated building? [24 CFR 576.201(d)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

NOTE: The following questions pertain to match contributions made on or after January 6, 2016.

7.

Did all match contributed on or after January 6, 2016, including cash and non-cash contributions, meet all of the following criteria: a. Are verifiable from recipient's or subrecipient's records; b. Are not included as contributions for any other Federal award; c. Are necessary and reasonable for accomplishment of the ESG project or program objectives; and d. Are allowable under 2 CFR Part 200, Subpart E—Cost Principles? **NOTE**: ESG matching contributions are not subject to the expenditure limits in §576.100. Also, funds from another Federal program may be counted as match for ESG, unless doing so would violate a specific statutory prohibition or ESG funds are counted as match for that program. [24 CFR 576.201(b) (as in effect on Jan. 6, 2016); 2 CFR 200.306(b)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

8.

If unrecovered indirect costs (i.e., the difference between the amount charged to the HUD award and the amount which could have been charged to the HUD award under the recipient's approved negotiated indirect cost rate) were included as a matching contribution on or after January 6, 2016, did the recipient receive prior HUD approval of that inclusion? [24 CFR 576.201(b) (as in effect on Jan. 6, 2016); 2 CFR 200.306(c)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

9.

Were non-cash contributions made on or after January 6, 2016, valued in accordance with the requirements at 2 CFR 200.306(d) through (j) and 24 CFR 576.201(c)? [2 CFR 200.306(d)-(j); 24 CFR 576.201(c) (as in effect on Jan. 6, 2016)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

10.

If the building was donated by the recipient or its subrecipient, did the recipient ensure that: i. the value of the match was determined as specified in 2 CFR 200.306(d) and (i)(1); ii. depreciation on the building was not counted and will not be counted as match or charged to any Federal award; and iii. the building was donated for long-term use in the recipient's ESG program, as evidenced by a recorded deed or use restriction that is effective for at least 10 years after the donation date? [24 CFR 576.201(c) (as in effect on Jan. 6, 2016); 2 CFR 200.306(d)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

11.

If the building was donated by a third party, did the recipient ensure that: a. The recipient counts as match only the depreciation of the building and fair rental charges for the land for each year the building is used for the recipient's ESG program or, if the building was donated for long-term use in the recipient's ESG program, the fair market value of the capital assets, as specified in 2 CFR 200.306(h)(2), (i), and (j); and b. If the building was donated for long-term use in the recipient's ESG program, the donation was evidenced by a recorded deed or use restriction that is effective for at least 10 years after the donation date? [24 CFR 576.201(c) (as in effect on Jan. 6, 2016)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

Guide for Review of ESG Financial Management and Cost Allowability			
Name of Recipient:			
Name of Subrecipient(s):			
Grant Number:			
Staff Consulted:			
Name(s) of Reviewer(s)		**Date**	

NOTE: All questions that address requirements contain the citation for the source of the requirement (statute and regulation). If the requirement is not met, HUD must select "NO" in response to the question and 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 assess a recipient's and/or its subrecipient's financial management system, as well as the eligibility of the program's expenditures. **Note**: This Exhibit is designed only to monitor compliance with the ESG interim rule, the Uniform Administrative Requirements (24 CFR part 84 and 85), and the cost principles at 2 CFR part 225 (OMB Circular A-87) and 2 CFR part 230 (OMB Circular A-122), as in effect prior to December 26, 2014. Accordingly, this Exhibit includes citations to regulations and OMB Circulars that pre-dated HUD's implementation of 2 CFR Part 200 (e.g., 24 CFR Part 576 (2013 edition), OMB Circular A-87, 24 CFR Part 85 (2013), 24 CFR Part 84 (2013), and OMB Circular A-122). CPD staff should use the citations in this Exhibit when making findings.

To monitor compliance with the new requirements at 2 CFR part 200, the HUD reviewer must complete Exhibit 34-1, *Guide for Review of Financial Management and Audits* and Exhibit 34-2, *Guide for Review of Cost Allowability*. For HUD's expectations on monitoring for compliance with the uniform administrative requirements, cost principles, and audit requirements during the period of transition to 2 CFR part 200, please see HUD's April 13, 2016, Notice CPD-16-04 (http://portal.hud.gov/hudportal/documents/huddoc?id=16-04cpdn.pdf). When completing this Exhibit or Exhibits 34-1 and 34-2, the HUD reviewer must also complete Exhibit 28-7, *Guide for Review of ESG Match Requirements*.

This Exhibit can be used to either monitor the recipient alone, the recipient with a single subrecipient, or the recipient with multiple subrecipients. It is the responsibility of the HUD reviewer to ensure that the responses provide sufficient documentation to support the basis for the conclusions. Keep in mind that, if multiple entities are reviewed and a deficiency is identified for a single entity, a "No" response is required.

Questions:

1.

Did the recipient and its subrecipients have written policies and procedures to ensure that ESG funds are used in accordance with ESG requirements and sufficient records to enable HUD and the recipient to determine whether ESG requirements are being met? [24 CFR 576.500(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

2.

Did the recipient and its subrecipients maintain records that identify adequately the source and application of funds for federally-sponsored activities? **NOTE**: These records shall contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, income and interest. [24 CFR 576.407(c); 24 CFR 576.500(s)(2); 24 CFR 84.21(b)(2); 24 CFR 85.20]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

3.

<u>Eligible Activities</u>: Are the recipient's and its subrecipients' expenses allowable, allocable, and reasonable? [24 CFR 576.100-576.109; 24 CFR 576.500(u)(2); 24 CFR 84.21(b)(6); 24 CFR 85.22]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

4.

Do the fiscal records indicate evidence that the recipient and its subrecipients have effective internal control over, and accountability of, all grant funds, property and other assets? [24 CFR 576.500(u); 24 CFR 84.21(b)(3); 24 CFR 85.20]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

<u>Internal Controls</u> (Reference for some of the questions: GAO/AIMD-98-21.2.1, "Framework for Federal Financial Management System Checklist," May 1998)

5.

a. Do the recipient and its subrecipients have an organization chart that illustrates the actual lines of authority/responsibility?	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

b. Are primary duties for key employees of the recipient and its subrecipients defined?	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

c. Does the recipient's and its subrecipients' chart of accounts include a complete listing of the account numbers used to support the control required to ensure that resources used do not exceed resources authorized?	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

d. Do the approval controls provide reasonable assurance that appropriate individuals approve recorded transactions in accordance with management's general or specific criteria?	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

e. Do the controls over the design and use of documents and records provide reasonable assurance that transactions and events are properly documented, recorded, and auditable?	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

f. In the normal course of the position's requirements, are duties segregated to effectively reduce the opportunity for someone to perpetrate or conceal errors or irregularities?	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

g. Is it clear that all personnel are responsible for communicating to appropriate supervisory officials the recipient's or its subrecipients' operating problems and noncompliance with laws and regulations?	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

h. Do the internal control procedures support the ability to prepare financial statements that are accurately presented in conformity with generally accepted or other relevant and appropriate accounting principles and regulatory requirements? (One level of assurance of the accuracy and integrity of data is provided by the recipient attaining an unqualified opinion on the audited annual financial statements and internal controls.)	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

6.

Do the recipient and its subrecipients identify expenditures in their accounting records according to eligible program activities identified in the program regulation, the recipient’s Action Plan, and the drawdown activity information? [24 CFR 576.100; 24 CFR 576.500(u); 24 CFR 84.21(b)(2); 24 CFR 85.20]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

7.

Does a review of the sample transaction records indicate that grant expenditures were eligible costs under regulations, were necessary and reasonable for proper and efficient administration of the program, were allocable to the program, and supported by adequate source documentation (invoices, contracts, or purchase orders)? [24 CFR 576.100-576.109; 24 CFR 576.500(u); 24 CFR 84.21(b); 24 CFR 85.20(b)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

8.

Does the source documentation support the amount drawn down from the payment requests? [24 CFR 576.500(u); 24 CFR 84.21(b); 24 CFR 85.20]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

9.

Do the recipient’s financial information (e.g., drawdowns, unexpended balances) records match the information in HUD’s financial systems (e.g., Line of Credit Control System (LOCCS), Integrated Disbursement and Information System (IDIS)) for the period under review? [24 CFR 576.500(aa); 24 CFR 85.20]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

10.

Are payments for salaries and wages supported by documented payrolls and personnel activity reports as specified in the applicable cost principles? [24 CFR 576.500(u)(2); OMB Circular A-122, Attachment B, 8(m); OMB Circular A-87, Attachment B, 8(h)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

11.

Are charges to the grant by both governmental units and nonprofit organizations for salaries and wages, whether treated as direct or indirect costs, based on payrolls documented in accordance with generally accepted accounting principles and approved by a responsible official(s) of the organization being monitored? [24 CFR 576.500(u)(2); OMB Circular A-122, Attachment B, 8(m); OMB Circular A-87, Attachment B, 8(h)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

12.

For government employees working solely on the grant, are charges for their salaries and wages supported by periodic certifications that the employees worked solely on that program for the period covered by the certification? [24 CFR 576.500(u)(2); OMB Circular A-87, Attachment B, 8(h)(3)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

13.

For government employees, were the certifications prepared at least semi-annually and signed by the employee or a supervisory official having first-hand knowledge of the work performed by the employee? [24 CFR 576.500(u)(2); OMB Circular A-87, Attachment B, 8(h)(3)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

14.

Does a random selection of administrative costs reflect that grant funds were used for eligible administrative costs? [24 CFR 576.108; 24 CFR 84.21; 24 CFR 85.20]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

15.

Are all of the administrative costs reviewed allocable to the program, and necessary and reasonable for proper and efficient administration of the program? [24 CFR 576.108; 24 CFR 576.500(u)(2); OMB Circular A-122; OMB Circular A-87]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

16.

Is the recipient in compliance with the component or activity caps imposed by program regulations, and are all costs subject to the expenditure caps properly classified? [24 CFR 576.100; 24 CFR 576.500(u)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

17.

If the recipient advances grant funds to subrecipients, are there procedures to minimize the time elapsed between the transfer of funds to, and disbursement by, the subrecipients? [24 CFR 576.407(c); 24 CFR 84.22(b)(1); 24 CFR 85.21(c)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

18.

If the recipient uses advances, is there evidence that any interest earned on grant advances over the amount specified in the uniform administrative requirements has been remitted to the U.S. Treasury as required by HUD? [24 CFR 576.407(c); 24 CFR 85.21(i)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

19.

If indirect costs are charged to the grant program by the recipient or its subrecipients, are the costs supported by an Indirect Cost Rate Proposal or Cost Allocation Plan prepared in accordance with OMB Circular A-87 (for governments) or OMB Circular A-122 (for nonprofit organizations)? [24 CFR 576.109; OMB Circular A-87; OMB Circular A-122]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

20.

a. If single audits are required, does the recipient or its subrecipients have a system or methodology to ensure that such audits are conducted? [24 CFR 576.407(c); 24 CFR 85.26; 24 CFR 84.26]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

b. If single audits are required for any recipient or subrecipient, is there documentation that the audits have been reviewed for compliance and that the recipient or subrecipient has taken appropriate follow-up actions, if necessary? [24 CFR 576.407(c); 24 CFR 85.26; 24 CFR 84.26]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

21.

Do the recipient and its subrecipients maintain records of their receipt and use of program income? [24 CFR 576.500(u)(3)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

22.

Do the recipient and its subrecipients use program income as the nonfederal share of eligible costs (i.e., match)? [24 CFR 576.201(f); 24 CFR 576.407(c); 24 CFR 84.24(b) or 24 CFR 85.25(g)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

23.

Does a review of program expenditures indicate the absence of any unallowable costs including entertainment, contributions and donations, fines and penalties, or general governmental expenditures including salary and expenses of the chief executive officer of the recipient or its subrecipients? [24 CFR 576.100(d); 24 CFR 576.500(u)(2); OMB Circular A-87 or OMB Circular A-122]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

24.

Does a review of the expenditures indicate that costs related to lobbying political activities have not been charged to the program? [24 CFR 576.100(d); 24 CFR 576.500(u)(2); OMB Circular A-87 or OMB Circular A-122]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

Guide for Review of ESG Procurement Requirements			
Name of Recipient:			
Name of Subrecipient(s):			
Grant Number:			
Staff Consulted:			
Name(s) of Reviewer(s)		**Date**	

NOTE: All questions that address requirements contain the citation for the source of the requirement (statute or regulation). If the requirement is not met, HUD must select "NO" in response to the question and 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 intended to evaluate a recipient's and/or its subrecipient's or subrecipients' procurement transactions. A procurement transaction is when the recipient or subrecipient has entered into an agreement with another entity for the purpose of providing a particular good or service for the recipient or subrecipient, and which is not a subrecipient agreement. This Exhibit is designed only to monitor compliance with the ESG interim rule and the procurement requirements under 24 CFR 85.36 (for governments) and 24 CFR 84.41 through 84.48 (for private nonprofit organizations), as in effect prior to December 26, 2014. To monitor compliance with the comparable requirements at 2 CFR part 200, the HUD reviewer must complete Exhibit 34-3, *Guide for Review of Procurement.* For HUD's expectations on monitoring for compliance with the uniform administrative requirements (including the procurement requirements) during the transition period to 2 CFR part 200, please see HUD's April 13, 2016, Notice CPD-16-04 (http://portal.hud.gov/hudportal/documents/huddoc?id=16-04cpdn.pdf).

The Exhibit is divided into two sections: questions that pertain to States; and questions that pertain to entities other than States. The HUD reviewer should randomly select a sample of the recipient's procurement transactions, pull the procurement files related to the selected transactions, and use the files to verify responses to the Exhibit questions. This Exhibit can be used to either monitor the recipient alone, the recipient with a single subrecipient, or the recipient with multiple subrecipients. It is the responsibility of the HUD reviewer to ensure that the responses provide sufficient documentation to support the basis for the conclusions. Keep in mind that, if multiple entities are reviewed and a deficiency is identified for a single entity, a "No" response is required.

Questions for States:

1.

When procuring goods or services with ESG funds, does the State follow the same policies and procedures the State uses for procurements using the State's funds? [24 CFR 576.407(c); 24 CFR 85.36(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

2.

Does a sample of the State's procurement transactions show that the State ensures each purchase order and contract include any clauses required by Federal statutes and executive orders and their implementing regulations (such as the Federal statutes, executive orders, and implementing regulations mentioned in 24 CFR 85.36(i))? [24 CFR 576.407(c); 24 CFR 85.36(a)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

Questions for Entities Other Than States:

3.

Did the recipient and its subrecipients use established written procurement procedures? [24 CFR 576.407(c); 24 CFR 84.44(a); 24 CFR 85.36(b)(1)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

4.

Do the recipient and its subrecipients have a written standard of conduct governing the performance of its employees engaged in the award and administration of contracts? [24 CFR 576.407(c); 24 CFR 84.42; 24 CFR 85.36(b)(3)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

5.

Are all procurement transactions conducted in a manner to provide, to the maximum extent practical, open and free competition? [24 CFR 576.407(c); 24 CFR 84.43; 24 CFR 85.36(c)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

6.

Did the recipient and its subrecipients establish and follow written procedures to avoid purchasing unnecessary items? [24 CFR 576.407(c); 24 CFR 84.44(a)(1); 24 CFR 85.36(b)(4)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

7.

Do the solicitations for goods and services clearly and accurately state the technical requirements for the goods or services to be procured? [24 CFR 576.407(c); 24 CFR 84.44(a)(3)(i); 24 CFR 85.36(c)(3)(i)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

8.

Were contractors that developed or drafted the specifications, requirements, statements of work, invitations for bids and/or request for proposals excluded from competing for such procurements? [24 CFR 576.407(c); 24 CFR 84.43; 24 CFR 85.36(c)(1)(v)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

9.

Was a cost or price analysis performed and documented in a procurement file in connection with every procurement action including contract modifications? [24 CFR 576.407(c); 24 CFR 84.45; 24 CFR 85.36(f)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

10.

Do contracts contain the provisions required under 24 CFR 84.48 or 24 CFR 85.36(i), as applicable? [24 CFR 576.407(c); 24 CFR 84.48; 24 CFR 85.36(i)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

11.

For government procurements using the competitive proposals method: Are the proposals solicited from an adequate number of qualified sources, consistent with the nature and requirements of the procurement? **NOTE:** This requirement is not applicable to nonprofits. [24 CFR 576.407(c); 24 CFR 85.36(d)(3)(ii)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

12.

For procurements by competitive proposals: Do the recipient and its subrecipients publicize the Request for Proposals (RFPs) and honor reasonable requests by parties to compete to the maximum extent practicable? [24 CFR 576.407(c); 24 CFR 84.43; 24 CFR 85.36(d)(3)(i)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

13.

For government procurements using the competitive proposals method: Do the RFPs identify all significant evaluation factors, including prices or costs where required, and their relative importance? **NOTE:** This requirement is not applicable to nonprofits. [24 CFR 576.407(c); 24 CFR 85.36(d)(3)(i)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

14.

For government procurements using small purchase procedures: Did the recipient or its subrecipients document receipt of an adequate number of price or rate quotations from qualified sources for procurements of $100,000 or less? **NOTE:** This requirement is not applicable to nonprofits. [24 CFR 576.407(c); 24 CFR 85.36(d)(1)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

15.

For government procurements using the noncompetitive proposals method: Do the procurement records document that other methods of procurement (small purchase, sealed bids or competitive proposals) were infeasible AND one of the following applies: • the items were available only from a single source; OR • a public exigency or emergency was of such urgency to not permit a delay resulting from competitive solicitation; OR, • after solicitation of a number of sources, competition is determined inadequate; OR • approval was granted by HUD? **NOTE:** This requirement is not applicable to nonprofits. [24 CFR 576.407(c); 24 CFR 85.36(d)(4)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

16.

For government procurements by sealed bids: Were the Invitations for Bids (IFBs) publicly advertised? **NOTE:** This requirement is not applicable to nonprofits. [24 CFR 576.407(c); 24 CFR 85.36(d)(2)(ii)(A)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

17.

For government procurements by sealed bids: Were bids solicited from an adequate number of known suppliers and were those suppliers provided sufficient time prior to the date set for opening the bids? **NOTE:** This requirement is not applicable to nonprofits. [24 CFR 576.407(c); 24 CFR 85.36(d)(2)(ii)(A)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

18.

For government procurements by sealed bids: Did the Invitation for Bids (IFBs), including specifications and pertinent attachments, clearly define the items or services required in order for the bidders to appropriately respond? **NOTE:** This requirement is not applicable to nonprofits. [24 CFR 576.407(c); 24 CFR 85.36(d)(2)(ii)(B)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

19.

For government procurements by sealed bids: Were the bids opened publicly at the times and places stated in the IFBs? **NOTE:** This requirement is not applicable to nonprofits. [24 CFR 576.407(c); 24 CFR 85.36(d)(2)(ii)(C)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

20.

For government procurements by sealed bids: Were firm, fixed-price contracts awarded in writing to the lowest responsive and responsible bidders? **NOTE:** This requirement is not applicable to nonprofits. [24 CFR 576.407(c); 24 CFR 85.36(d)(2)(ii)(D)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

21.

For government procurements by sealed bids: If any bids were rejected, was there a sound, documented reason? **NOTE:** This requirement is not applicable to nonprofits. [24 CFR 576.407(c); 24 CFR 85.36(d)(2)(ii)(E)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

Guide for Review of ESG Equipment and Equipment Disposition Requirements			
Name of Recipient:			
Name of Subrecipient(s):			
Grant Number:			
Staff Consulted:			
Name(s) of Reviewer(s)		**Date**	

NOTE: All questions that address requirements contain the citation for the source of the requirement (statute and regulation). If the requirement is not met, HUD must select "NO" in response to the question and 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 review a recipient's and/or its subrecipient's equipment management policies. This Exhibit is intended only for use in monitoring compliance with the equipment requirements in 24 CFR parts 84 and 85, as in effect prior to December 26, 2014. To monitor compliance with the equipment requirements at 2 CFR part 200, the HUD reviewer must complete Exhibit 34-4, *Guide for Review of Equipment Management and Equipment Disposition*, in this Handbook. For HUD's expectations on monitoring for compliance with the uniform administrative requirements (including the equipment requirements) during the transition period to 2 CFR part 200, please see HUD's April 13, 2016, Notice CPD-16-04 (http://portal.hud.gov/hudportal/documents/huddoc?id=16-04cpdn.pdf).

This Exhibit is divided into three sections: Sample Selection; Equipment Management; and Equipment Disposition. If the recipient's or subrecipient's accounting system includes information on equipment acquired with SNAPS funds, it can be used as starting point for selecting a representative sample of equipment transactions to review. The HUD reviewer is to follow the sampling guidance in Section 28-3 in the introduction to this Chapter to select records regarding equipment purchases and sales. These records, along with staff interviews, will form the basis for completing the chart below and answering Exhibit questions.

This Exhibit can be used to either monitor the recipient alone, the recipient with a single subrecipient, or the recipient with multiple subrecipients. It is the responsibility of the HUD reviewer to ensure that the responses provide sufficient documentation to support the basis for the conclusions. Keep in mind that, if multiple entities are reviewed and a deficiency is identified for a single entity, a "No" response is required.

Questions:

A. SAMPLE SELECTION

1.

Complete the table below after selecting equipment transactions for review. (If additional rows are needed, please attach an additional sheet.)						
Item	Date Acquired	Acquisition Cost	Federal Share of Acquisition Cost	Disposition Date	Disposition Proceeds	Federal Share of Disposition Proceeds (in $)

B. EQUIPMENT MANAGEMENT

2.

Do the recipient and its subrecipients maintain equipment records that contain the information required by the applicable regulations? [24 CFR 576.407(c); 24 CFR 84.34; 24 CFR 85.32(d)(1)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

3.

Has a physical inventory of equipment been taken and the results reconciled with the property records within two years from the date of this monitoring? [24 CFR 576.407(c); 24 CFR 84.34(f)(3); 24 CFR 85.32(d)(2)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

C. EQUIPMENT DISPOSITION

4.

Do the recipient's and its subrecipients' procedures require efforts to obtain the highest possible return for sale of equipment? [24 CFR 576.407(c); 24 CFR 84.34(f)(6); 24 CFR 85.32(d)(5)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	

5.

If grant-funded equipment was sold during the period under review, is there documented evidence to demonstrate that efforts were made to obtain the highest possible return? [24 CFR 576.407(c); 24 CFR 84.34(f)(6); 24 CFR 85.32 (d)(5)]	☐ Yes ☐ No ☐ N/A
Describe Basis for Conclusion:	