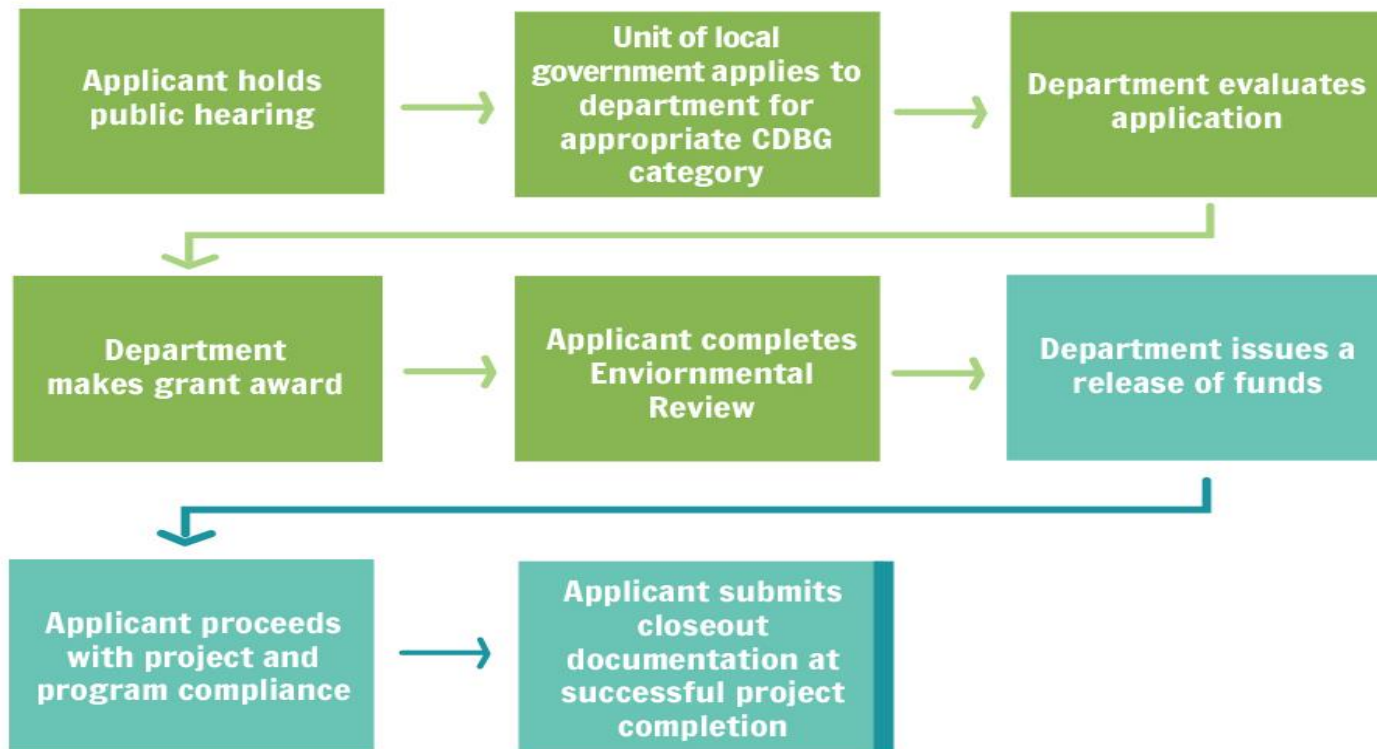


INFRASTRUCTURE PROJECTS



Infrastructure – Standard Process

Community Development Block Grant - Disaster Recovery



Infrastructure – Eligible Costs

- Energy efficiency improvements;
- Handicapped accessibility improvements (including improvements to buildings used for general conduct of government); and
- Architectural design features and other treatments aimed at improving aesthetic quality (e.g., sculptures, fountains).

Infrastructure – Preparedness and Mitigation

Incorporating preparedness and mitigation into there building of facilities is encouraged.

The goal is to rebuild in ways that are safer and stronger.

Infrastructure – Eligible Activities

Infrastructure Activities

- Repairing, replacing, or relocating damaged public facilities
- The acquisition, construction, reconstruction, rehabilitation, or installation of public facilities and improvements are eligible activities under CDBG-DR and can be carried out by a grantee,
- Typical activities include rehabilitation of schools, health care centers, water or wastewater facilities, drainage improvements, etc.

Infrastructure – Preparedness and Mitigation

Advantages of Preparedness and Mitigation (as a component of an eligible activity)

- Preparedness and mitigation measures for rebuilding activities helps to ensure that communities recover to be safer, stronger, and more resilient.
- Preparedness and mitigation measures also reduce costs in recovering from future disasters.
- Mitigation measures must be a necessary expense related to the disaster relief, long-term recovery, and restoration of infrastructure.

Infrastructure – Ineligible Costs

The maintenance and repair of public facilities and improvements is generally ineligible (e.g., filling potholes, repairing cracks in sidewalks, mowing grass at public recreational areas or replacing street light bulbs).

Operating costs associated with public facilities or improvements are ineligible unless part of a CDBG-assisted public service activity or eligible as an interim assistance activity.

Infrastructure – LMI Benefit National Objective

CDBG-funded public facilities and improvements will typically be categorized under the LMI Benefit national objective as an Area Benefit activity.

Under the area benefit criteria, the public facility/improvement must benefit all residents of an area where at least 51 percent of the residents are LMI. The service area need not have coterminous boundaries with Census tract borders or other officially recognized boundaries, but must be primarily residential in nature.

Infrastructure – LMI Benefit - Records

If qualifying an activity under the Area Benefit criteria, records to keep include:

- Boundaries of the service area;
- Documentation that the area is primarily residential (e.g., zoning map);
- Income characteristics of households in the services area (Census/American Community Survey)

Infrastructure - LMI - Limited Clientele

Facilities benefiting a specific targeted group of persons, of which at least 51 percent must be low- and moderate-income.

Serving a group primarily presumed to be LMI such as abused children, battered spouses, elderly persons, severely disabled adults, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers;

Public facilities such as homeless shelters or group homes for persons with special needs are just two of the examples of public facilities that may qualify under the Limited Clientele criteria. The populations served by these facilities are populations that are presumed to be LMI persons or families.

Infrastructure - LMI Housing National Objective

Public facilities or improvements can also qualify under the LMI housing national objective if the facility exclusively assists in the provision of housing to be occupied by LMI income households.

Infrastructure - LMI Job Creation

If the grantee is undertaking public facilities or improvements under the LMI job creation and retention national objective category and more than one business will be served, the 51 percent LMI job requirement may be met by aggregating the jobs created or retained by affected businesses under the following criteria (§570.208(a)(4)(vi)(F):

Infrastructure - Slum/Blight National Objective

The delineated area in which the activity occurs must meet a definition of a slum, blighted, deteriorated or deteriorating area under state or local law;

Additionally, the area must also meet either one of the two conditions specified below: At least 25 percent of the properties throughout the area exhibit the following:

- Physical deterioration of buildings/improvements;
- Abandonment of properties;
- Chronic high occupancy turnover rates or chronic high vacancy rates in commercial or industrial buildings;
- Significant declines in property values or abnormally low property values relative to other areas in the community; or (e) Known or suspected environmental contamination.

Infrastructure - Urgent Needs National Objective

Public facilities or improvement activities may also qualify under the Urgent Needs national objective if the following qualifications are met:

- The activity is designed to alleviate existing conditions that pose a serious and immediate threat to the health or welfare of the community;
- The existing conditions are of recent origin or recently became urgent (generally, within the past 18 months);
- The grantee is unable to finance the activity on its own; and
- Other sources of funding are not available

Infrastructure – Monitoring Compliance

- Is the activity consistent with an identified Need or Strategy in the program participant's Action Plan, or in a Subrecipient agreement.
- Does the program participant's file documentation contain information sufficient to verify eligibility.
- Does the activity properly qualify as an eligible public facility/improvement acquisition, construction, reconstruction, rehabilitation, or new construction activity.

Infrastructure – Monitoring Compliance Cont.

- Do the program participant's records describe the boundaries of the service area?
- Does the size of the service area appear consistent with the nature and scope of the activity?
- If census data were used, is it consistent with HUD's published data for the point in time when the activity's ability to qualify under this national objective was determined by the program participant?
- Does this activity meet the required percentage of LMI population in the service area (whether it qualified under census or survey data or is an "exception" community)?

Infrastructure - Partnering

	Subrecipient	Contractor
Selection	<ul style="list-style-type: none"> Designated by the grantee. 	<ul style="list-style-type: none"> Must be selected through a competitive procurement process. <ul style="list-style-type: none"> States: 24 CFR 570.489(g) Entitlements: 24 CFR Part 85.36
Monitoring & Performance	<ul style="list-style-type: none"> Federal administrative and monitoring requirements <ul style="list-style-type: none"> States: 24 CFR 570.492 Entitlements: Part 84 & 85 	<ul style="list-style-type: none"> Must achieve performance goals identified in the contract.
Cross-Cutting Requirements	<ul style="list-style-type: none"> Subject to Requirements 	<ul style="list-style-type: none"> Subject to Requirements

Infrastructure – Procurement

- Were sealed bids used for this activity?
- If sealed bids were used, did the program participant receive two or more responsible bids for the applicable procurement transactions reviewed?
- If the program participant issued Invitations for Bids (IFBs), were the IFBs publicly advertised; and did they:
 - Include specifications and pertinent attachments;
 - clearly define the items or services needed in order for the bidders to properly respond to the invitation; and
 - prescribe a time and place for the public opening of all bids?

Infrastructure – Procurement Continued...

If the program participant issued Invitations for Bids (IFBs), were the IFBs publicly advertised; and did they:

- include specifications and pertinent attachments;
- clearly define the items or services needed in order for the bidders to properly respond to the invitation; and
- prescribe a time and place for the public opening of all bids?

Best Practices

- Proactively inventory and geocode public infrastructure assets and centrally retain maintenance records for those assets
- Understand capabilities of existing financial management systems, and consider pre-disaster enhancements necessary to accommodate the management of disaster-related data
- Implement controls and efficiencies within your jurisdiction's procurement process that ensures full compliance with local, state, and federal procurement rules PRIOR to letting of contracts
- Develop and incorporate administrative requirements for disaster response and recovery into everyday business practices
- Create or identify entity charged with managing your jurisdiction's disaster recovery—financial management

SINGLE-FAMILY RESIDENTIAL REPAIR



Single-Family Residential Repair (RR)

- Homeowner rehabilitation is one of the most common community development programs administered nationwide.
- CDBG-DR funds provide a wide range of flexibility with rehabilitation of projects and design considerations.
- Grantees can choose to do emergency repair programs, spot rehabilitation or full house rehabilitation.

Single-Family Residential Repair (RR)

- CDBG-DR funds may be used to assist existing homeowners that can document disaster damage with the repair, rehabilitation, or reconstruction of owner-occupied units.
- Grantees have the flexibility under the CDBG-DR Program to design repair and rehabilitation programs that meet the unmet needs of their residents.

Single-Family Rehab - Programs

- Energy efficiency programs aimed at improving the energy efficiency of homes
- Handicapped accessibility programs through which improvements, are made to homes of persons with disabilities to make the home more accessible;
- Emergency repair programs that provide for the repair of certain elements of a housing unit in emergency situations
- Weatherization programs aimed at improving a home's ability to withstand the elements, including insulation and weather-stripping

Single-Family Rehab - Reconstruction

Reconstruction is an eligible activity.

Reconstruction means demolishing and re-building a housing unit on the same lot in substantially the same manner.

- The number of housing units on the lot may not be increased as part of a reconstruction, however, the number of rooms in a unit may be increased or decreased.
- Reconstruction also includes replacing an existing substandard manufactured housing unit with a new or standard manufactured housing unit.

Single-Family Rehab – Eligible Costs

Eligible costs include:

- Labor and materials,
- Replacement of principal fixtures and components of existing structures;
- Water and sewer connections;
- Installation of security devices, including smoke detectors; and
- Conservation costs for water and energy efficiency;
- Elevation
- Allowable preparedness and mitigation repairs.

Single-Family Rehab – Eligibility Requirements

- Ownership of the Property
- Property taxes are current, deferred, or on an approved payment plan in good standing
- Property type and location
- Household income
- Principal residency
- Documentation of previous assistance received (DOB)

Single-Family Rehab – Eligibility Requirements

Applicant(s) may be deemed ineligible for any of the following reasons:

- Applicant not recorded owner of Property
- Title issues
- Senior lienholder refuses to sign subordination agreement
- Reverse mortgage exists
- Pending Bankruptcy
- Pending Foreclosure
- Outstanding Property taxes

Tie Back to the Disaster Requirement

How This Requirement Can Be Shown

For physical losses:

Proof of Damage or insurance estimates
(the most effective tool)

Documenting LMI Housing

- The total cost of the activity, including both CDBG and non-CDBG funds
- The size, annual income, and FHEO characteristics of households occupying CDBG-assisted and designated LMI units
- A copy of the written agreement indicating the total number of dwelling units and the number of LMI units
- For rental housing only:
 - Rent charged (or to be charged) after assistance for each assisted unit
 - Documentation showing the affordability of units occupied (or to be occupied) by LMI households

Best Practices—Management

Case management approach, high-level staff, ongoing communication and follow-up with applicant

Single automated workflow tool used by all contractors

- Manage production
- Ongoing project management
- View application end to end (intake to payment)
- Document and support decisions
- Serve as system of record

Immediate response to problems

Multi-disciplinary team of experts on call

OFFICE OF LABOR STANDARDS AND ENFORCEMENT (OLSE)

Training for Community
Development Agencies



HUD's Mission

To create strong, sustainable,
inclusive communities and quality
affordable homes for all.

Responsibility of OLSE

To support HUD's mission by ensuring construction laborers and mechanics working on covered projects are paid no less than the Federal prevailing wage rate for the type of work they perform.

Session Layout

Davis Bacon and Related Acts (DBRA)

- History of Davis Bacon Act
- Related Acts Regulations

CDA Responsibilities

- Contract/Project Management
- Enforcement Procedures
- Requirements with HUD

Community Development Block Grants (CDBG)

- DBRA Applicability
- Incidental Rule

Davis Bacon & Related Acts

Brief History

Drafted by Pennsylvania Senator James J. Davis and New York Representative Robert L. Bacon

Enacted by Congress on March 3, 1931 signed by President Herbert Hoover

Triggered by Public Works Projects in excess of \$2000

Related Acts Developed throughout

Davis Bacon & Related Acts

Related Acts Regulations

Copeland “Anti-Kickback Act - Enacted in 1934

- U.S. Senator Royal S. Copeland’s Senate Subcommittee on Crime
 - Found that 25 % of money paid to laborers went back to employers
- Regulates payroll deductions
 - FICA, taxes, court ordered payments, fringe benefits, etc.
- Sanctions are under the General Provisions of Title 18

Contract Work Hours and Safety Standards Act (CWHSSA) Enacted in 1964

- Requires payment of time and a half for hours in excess of 40 a week
 - Liquidated damages include \$10.00 per employee per day violation
 - \$100,000 Threshold
- Prohibits unsanitary, hazardous, or dangerous working conditions on federal and federally financed and assisted construction projects

Davis Bacon & Related Acts

Character of Work

Residential Construction

- Projects involving the construction, alteration, or repair of apartment buildings 4 stories or less in height.

Building Construction

- Above 4 stories

Highway Construction

- Projects involving initial construction, alteration, or repair of roads, streets, highways, alleys, parking areas, sidewalks, etc.

Heavy Construction

- Any construction that cannot be classified as Residential, Building or Highway

- Irrigation projects, storm sewers, water mains, canals, playgrounds, etc.

CDA Responsibilities

Contract/Project Management

Bidding Solicitation and Award

- Form HUD – 4010
- Most recent general wage schedule
- Check general contractor's eligibility

Payroll Reviews

Apprentices

Conduct Employee Interviews

- Form HUD – 11
- Payroll comparison

Contact General Contractors About Discrepancies

- Underpaid workers
- Inconsistent information
- Clarifying information

Record of Employee Interview

U.S. Department of Housing and Urban Development Office of Labor Relations

OMB Approval No. 2501-0009
(exp. 12/31/2013)

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. The information is collected to ensure compliance with the Federal labor standards by recording interviews with construction workers. The information collected will assist HUD in the conduct of compliance monitoring; the information will be used to test the veracity of certified payroll reports submitted by the employer. **Sensitive Information.** The information collected on this form is considered sensitive and is protected by the Privacy Act. The Privacy Act requires that these records be maintained with appropriate administrative, technical, and physical safeguards to ensure their security and confidentiality. In addition, these records should be protected against any anticipated threats or hazards to their security or integrity that could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual on whom the information is maintained. **The information collected herein is voluntary, and any information provided shall be kept confidential.**

1a. Project Name			2a. Employee Name		
1b. Project Number			2b. Employee Phone Number (including area code)		
1c. Contractor or Subcontractor (Employer)			2c. Employee Home Address & Zip Code		
			2d. Verification of identification? Yes <input type="checkbox"/> No <input type="checkbox"/>		
3a. How long on this job?	3b. Last date on this job before today?	3c. No. of hours last day on this job?	4a. Hourly rate of pay?	4b. Fringe Benefits?	4c. Pay stub?
				Vacation Yes <input type="checkbox"/> No <input type="checkbox"/> Medical Yes <input type="checkbox"/> No <input type="checkbox"/> Pension Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
5. Your job classification(s) (list all) --- continue on a separate sheet if necessary					
6. Your duties					
7. Tools or equipment used					
8. Are you an apprentice or trainee?	Y <input type="checkbox"/> N <input type="checkbox"/>	10. Are you paid at least time and 1/2 for all hours worked in excess of 40 in a week?	Y <input type="checkbox"/> N <input type="checkbox"/>		
9. Are you paid for all hours worked?	Y <input type="checkbox"/> N <input type="checkbox"/>	11. Have you ever been threatened or coerced into giving up any part of your pay?	Y <input type="checkbox"/> N <input type="checkbox"/>		
12a. Employee Signature			12b. Date		
13. Duties observed by the Interviewer (Please be specific.)					
14. Remarks					
15a. Interviewer name (please print)		15b. Signature of Interviewer		15c. Date of interview	

Payroll Examination

16. Remarks	
17a. Signature of Payroll Examiner	17b. Date

PAYROLL

(For Contractor's Optional Use; See Instructions at www.dol.gov/whd/forms/wh347instr.htm)



Rev. Dec. 2008

OMB No.: 1235-0008
Expires: 01/31/2015

Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.

NAME OF CONTRACTOR <input type="checkbox"/> OR SUBCONTRACTOR <input type="checkbox"/>		ADDRESS	
PAYROLL NO.	FOR WEEK ENDING	PROJECT AND LOCATION	PROJECT OR CONTRACT NO.

(1) NAME AND INDIVIDUAL IDENTIFYING NUMBER (e.g., LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER) OF WORKER	(2) NO. OF WITHHOLDING EXEMPTIONS	(3) WORK CLASSIFICATION	OT, OR ST.	(4) DAY AND DATE							(5) TOTAL HOURS	(6) RATE OF PAY	(7) GROSS AMOUNT EARNED	(8) DEDUCTIONS					(9) NET WAGES PAID FOR WEEK
				HOURS WORKED EACH DAY										FICA	WITH- HOLDING TAX	OTHER	TOTAL DEDUCTIONS		
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While completion of Form WH-347 is optional, it is mandatory for covered contractors and subcontractors performing work on Federally financed or assisted construction contracts to respond to the information collection contained in 29 C.F.R. §§ 3.3, 5.5(a). The Copeland Act (40 U.S.C. § 3145) contractors and subcontractors performing work on Federally financed or assisted construction contracts to "furnish weekly a statement with respect to the wages paid each employee during the preceding week." U.S. Department of Labor (DOL) regulations at 29 C.F.R. § 5.5(a)(3)(ii) require contractors to submit weekly a copy of all payrolls to the Federal agency contracting for or financing the construction project, accompanied by a signed "Statement of Compliance" indicating that the payrolls are correct and complete and that each laborer or mechanic has been paid not less than the proper Davis-Bacon prevailing wage rate for the work performed. DOL and federal contracting agencies receiving this information review the information to determine that employees have received legally required wages and fringe benefits.

Public Burden Statement

We estimate that it will take an average of 55 minutes to complete this collection, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. If you have any comments regarding these estimates or any other aspect of this collection, including suggestions for reducing this burden, send them to the Administrator, Wage and Hour Division, U.S. Department of Labor, Room S3502, 200 Constitution Avenue, N.W., Washington, D.C. 20210

Date _____

I, _____ (Name of Signatory Party) _____ (Title)

do hereby state:

(1) That I pay or supervise the payment of the persons employed by

_____ on the _____
(Contractor or Subcontractor)

_____ ; that during the payroll period commencing on the _____
(Building or Work)

_____ day of _____, _____, and ending the _____ day of _____, _____.

all persons employed on said project have been paid the full weekly wages earned, that no rebates have been or will be made either directly or indirectly to or on behalf of said

_____ from the full
(Contractor or Subcontractor)

weekly wages earned by any person and that no deductions have been made either directly or indirectly from the full wages earned by any person, other than permissible deductions as defined in Regulations, Part 3 (29 C.F.R. Subtitle A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948, 63 Stat. 108, 72 Stat. 967; 76 Stat. 357; 40 U.S.C. § 3145), and described below:

(2) That any payrolls otherwise under this contract required to be submitted for the above period are correct and complete; that the wage rates for laborers or mechanics contained therein are not less than the applicable wage rates contained in any wage determination incorporated into the contract; that the classifications set forth therein for each laborer or mechanic conform with the work he performed.

(3) That any apprentices employed in the above period are duly registered in a bona fide apprenticeship program registered with a State apprenticeship agency recognized by the Bureau of Apprenticeship and Training, United States Department of Labor, or if no such recognized agency exists in a State, are registered with the Bureau of Apprenticeship and Training, United States Department of Labor.

(4) That:

(a) WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS, OR PROGRAMS

- In addition to the basic hourly wage rates paid to each laborer or mechanic listed in the above referenced payroll, payments of fringe benefits as listed in the contract have been or will be made to appropriate programs for the benefit of such employees, except as noted in section 4(c) below.

(b) WHERE FRINGE BENEFITS ARE PAID IN CASH

- Each laborer or mechanic listed in the above referenced payroll has been paid, as indicated on the payroll, an amount not less than the sum of the applicable basic hourly wage rate plus the amount of the required fringe benefits as listed in the contract, except as noted in section 4(c) below.

(c) EXCEPTIONS

EXCEPTION (CRAFT)	EXPLANATION

REMARKS:

NAME AND TITLE	SIGNATURE
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THE WILLFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS MAY SUBJECT THE CONTRACTOR OR SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION. SEE SECTION 1001 OF TITLE 18 AND SECTION 231 OF TITLE 31 OF THE UNITED STATES CODE.

CDA Responsibilities

Enforcement Procedures

Information Clarification

- Contact general contractors to clarify any information that is unclear
 - Break down of Fringe Benefits
 - Payroll discrepancies
 - Mismatching of information between payrolls and HUD – 11s
 - Send questionnaires or contact workers

Restitution Notices

- Send formal letters to the general contractor
 - List the total amount of workers affected and total dollar amount
 - Allow 30 days for response

We are conducting a review of federal labor standards compliance on the project named below. We are asking for certain information regarding your employment on this project. Sending this questionnaire to you does not imply that your employer has violated any law.

Please respond to all of the questions listed below. Your responses will be considered confidential and will not be released to anyone without your permission. Your answers should refer only to the time during which you worked on this project. Please return the completed form as soon as possible, using the envelope provided, which needs no postage.

If you have any questions, please call: **Cory Chu, Contractor Ind. Relations Spec. - 212-542-7148**

Employer [REDACTED]		Project name, number and location [REDACTED]	
1. Your Name [REDACTED]		2. Your Job title [REDACTED]	
3. When did you work on this project? From: [REDACTED] To: [REDACTED]		4. Where did you work (job site, shop, etc)? [REDACTED]	
5. What duties did you perform on this project? [REDACTED]			
6. What tools did you use (if any) to perform your duties on the project? [REDACTED]			
7. How were you paid? (hourly wage, salary, piece work, etc.) [REDACTED]		8. If your wage was based on piece work, how was your pay determined (i.e., \$ per board, per unit, etc.)? [REDACTED]	
9. What was your hourly wage on this project? \$ [REDACTED]	10a. Did you receive fringe benefits? Yes <input type="checkbox"/> No <input type="checkbox"/>	10b. If yes, which fringe benefits did you receive? Vacation <input type="checkbox"/> Medical <input type="checkbox"/> Pension <input type="checkbox"/> Other <input type="checkbox"/> Specify: [REDACTED]	
11. On average, how many hours did you work each week? [REDACTED]	12. Did you ever work over 40 hours in a single week? Yes <input type="checkbox"/> No <input type="checkbox"/>	13. If you worked over 40 hours per week, did you receive overtime pay (at least 1½ times your regular rate of pay)? Yes <input type="checkbox"/> No <input type="checkbox"/>	14. If you did not receive overtime pay for overtime hours worked, identify the number of weeks in which overtime was worked and/or total overtime hours [REDACTED]
15. Attach copies of check stubs or a record of your hours and pay received <input type="checkbox"/> CHECK IF ATTACHED		16. Attach any other comments or statements on separate sheet <input type="checkbox"/> CHECK IF ATTACHED	

17. Identify other employees (name, address, phone) who worked with you and who could confirm the type of work you performed
[REDACTED]

18. Identify employees (name, address, phone) you supervised
[REDACTED]

I affirm that the information provided herein is accurate to the best of my knowledge.

Employee Name (Please print clearly) [REDACTED]	Home Phone Number (including area code) [REDACTED]
Current address (Include apartment number, if any) (Street/City/State/Zip Code) [REDACTED]	Alternate Phone Number(s) (including area code) [REDACTED]
Permanent/Alternate Address (if current address is temporary) [REDACTED]	Email address [REDACTED]
Signature [REDACTED]	Date [REDACTED]

Disclosure Authorization

I authorize the HUD representative to disclose my name and the information I have submitted to the extent necessary to enforce my rights under the Acts administered by the U.S. Department of Housing and Urban Development.

Signature: [REDACTED]	Date: [REDACTED]
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Public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining data needed, and completing and reviewing the collection of information. The information is considered sensitive and will not be released without your approval. Provision of this is voluntary. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget (OMB) control number.

HUD and local agencies administering HUD-assisted programs must enforce Federal wage and reporting requirements on covered HUD-assisted construction and maintenance work. Enforcement activities include contacting laborers and mechanics and requesting information about their employment on covered projects.

CDA Responsibilities

Requirements with HUD

Contract/Project Management

Semi Annual Reports

- Submit every 6 months
- Include projects awarded during the 6 months
- Include restitution paid during this period regardless of when contract was let

Additional Wage Classification Requests

- Include documents to justify rates
- Contact local CIRS

Technical Assistance

- Request technical assistance from CIRS with any questions.

Community Development Block Grants (CDBG)

DBRA Applicability

DBRA Applicable

- 8 units and above
- Utilized in Construction Costs
 - Not applicable if only utilized for land acquisition, soft costs, professional fees, anything non-construction related

Equipment Installation

- Installation cost exceeding 13% of the total equipment cost
 - Not applicable if installation cost does not exceed 13% and does not require demolition or alterations to property

Force Account Work

- Work done by employees hired directly by the grantee (city or state workers, etc.) are not subject to DBRA

Community Development Block Grants (CDBG) Incidental Rule

Incidental Rule

- Site work, parking garages, etc.
- Must be built at the same time as residential or building projects to avoid Highway/Heavy Prevailing Wages.
 - Cost cannot exceed 20% of total project cost or \$1 million.

Online Resources

Overview

http://portal.hud.gov/hudportal/HUD?src=/program_offices/labor_standards_enforcement - Overview

http://portal.hud.gov/hudportal/HUD?src=/program_offices/labor_standards_enforcement/OLRLibrary - Library of Letters and On-the-Mark! Series

Forms

http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_12586.pdf: HUD – 4010

http://www.in.gov/ocra/files/Labor_Standards_Form_14-Employee_Interview.docx_12.31.13.doc: HUD - 11

Online Resources Cont.

DBRA Related Websites

<https://www.sam.gov/portal/SAM/%23%2311>: Federal Debar List

<http://portal.hud.gov/hudportal/documents/huddoc?id=makingdavisbaconwork001.pdf>: DBRA Guide for Local Agencies

<http://www.wdol.gov/>: General Wage Schedule

MONITORING TIPS AND TRICKS



Welcome and Speakers

- Session Objectives
 - Explain the importance of monitoring and how to assess risk to guide monitoring efforts
 - Understand how to prepare for and what to expect during a HUD monitoring visit

Agenda

- Who gets monitored
- How to assess risk
- What to monitor
- Preparing for a DEO monitoring visit
- Common HUD findings
- HUD sanctions



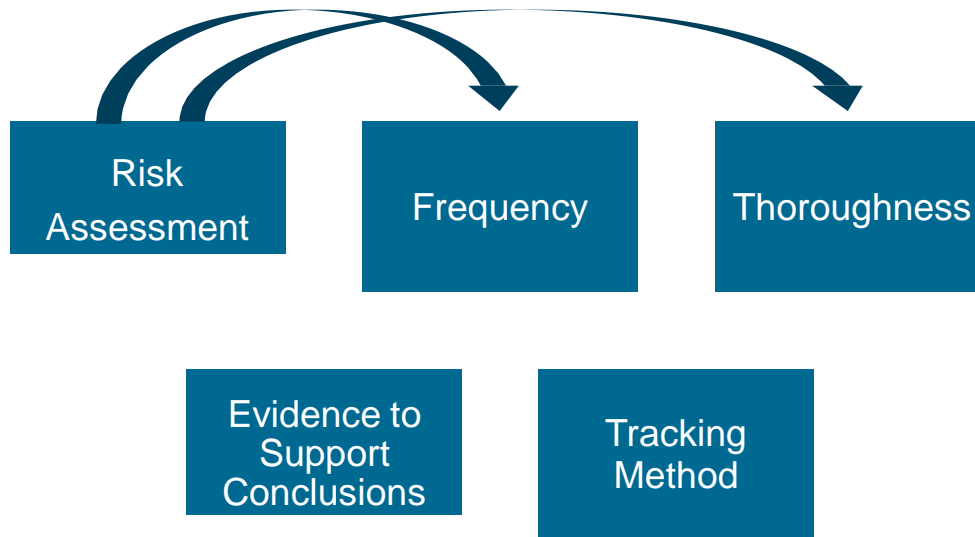
Why Monitor?

- Compliance with statutes and regulations
- Prevention of fraud, waste, and abuse
- Early detection of inefficiencies
- Improvement
- Identification of best practices

Who Should YOU Monitor?

- Subgrantees
- Subrecipients
- Contractors
- Yourselves
- ANYONE WHO SPENDS CDBG-DR FUNDS

The Five Habits of Highly Effective Subrecipient Monitoring



Risk Assessment Factors

- Financial Management
- Overall Management
- Satisfaction (Citizen Complaints)
- Services (Complexity of Programs)



Rating and Ranking

1. Rate each subrecipient/subgrantee

CITY OF ALTO

Factor	Maximum Score	Points Assigned
1. Financial	47	16
2. Management	34	15
3. Satisfaction	4	2
4. Services	15	
TOTAL	100	39

Rating and Ranking

2. Rank subrecipients by risk level

Grantee	Total Score	Rank
Alto	39	3
Wells	67	1
Lufkin	55	2

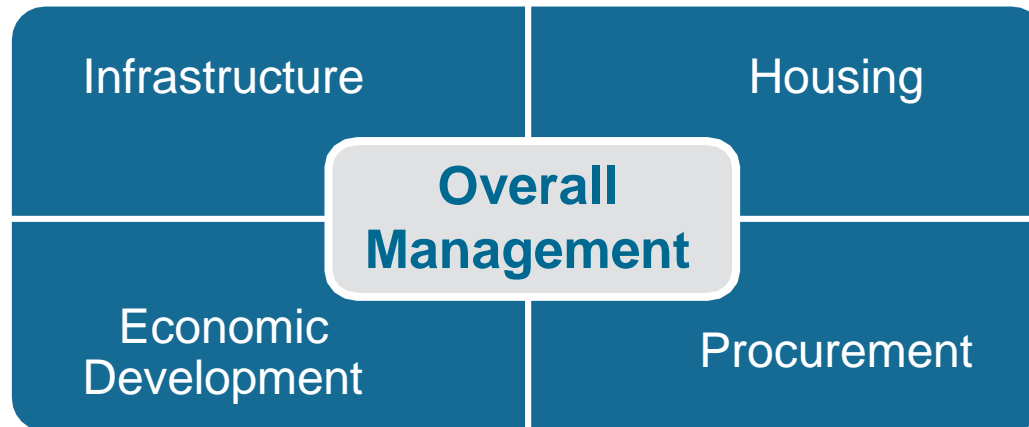
3. Use Ranking to develop monitoring schedule

Essential Items that Must be Monitored

- Eligibility of activities and beneficiaries
- National Objectives
- Tie to disaster
- Prevention of duplication of benefits from FEMA, SBA, insurance, and other sources
- Program policies and procedures, i.e. internal controls and separation of duties

CPD Monitoring Handbook

- Contains sample exhibits used by HUD for monitoring CDBG-DR grantees
- Grantees should review the Handbook to understand what HUD reviews during monitoring visits



Monitoring Exhibits

<p>to the national objective adequately documented in the Area: [24 CFR 570.506, 570.490, or applicable <i>Federal Register</i> notice]</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<p>Describe Basis for Conclusion:</p>			
<p>b. For single family properties:</p>			
<p>i. If benefiting a low-to-moderate income (LMI) household, does the file document that the household is at or below 80 percent of Area Median Income?</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<p>Describe Basis for Conclusion:</p>			
<p>ii. If using the Slum/Blight national objective on an Area basis, does the file demonstrate that the area meets the definition of a slum, blighted, deteriorated or deteriorating area under state or local law?</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<p>Describe Basis for Conclusion:</p>			
<p>iii. If using the Slum/Blight national objective on a Spot basis, is the rehabilitation <i>limited</i> to those conditions that are detrimental to public health and safety?</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<p>Describe Basis for Conclusion:</p>			
<p>iv. For an activity classified as Urgent Need, was the need demonstrated (via publication in the program participant's Action Plan) within 18</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

Preparing for DEO

- Create uniform recordkeeping and file management system
- Assign knowledgeable personnel to prepare for monitoring visit and ensure all files are accessible to DEO staff
- Designate someone to assist DEO staff during the entirety of the monitoring visit

Get Organized

- **Create Checklists:** Put it in the file and have someone check to ensure that all required documents are present and final
- **If you have an electronic system:** Create a road map for the system to ensure moving from screen to screen is user-friendly and that it's 100% clear where to go to find required documents
- **Have a rehearsal:** Walk through a file using the DEO/HUD Monitoring Exhibits. Can you answer all the questions using only the information found in the file? Check for any duplicate or incomplete records.

When Working with DEO

- DEO is a partner, not an adversary
- Converse in HUD-speak to be effective
- Provide documentation when requested
- Findings are not personal, and may ultimately prevent even more consequential findings



After DEO Leaves

- Monitoring Report issued in 90 days
- Grantee has 30 days to respond
- Findings (Corrective Action) versus Concerns (Recommended Action)
- Monitoring Reports are FOIA-able, but are generally not shared unless requested

Common Findings: Recordkeeping

- 24 CFR 570.490
 - “State shall establish and maintain such records as may be necessary to facilitate review and audit by HUD...”
- Lack of recordkeeping may signify deeper deficiencies

Common Finding: Duplication of Benefits

- Section 312 of the Stafford Act (42 U.S.C. 5155)
- Questions DEO will ask:
 - Did you do it?
 - Did you do it right?
- Commonly leads to repayment
- Applies to all assistance (housing, infrastructure, and economic development)

Common Finding: National Objective

- 24 CFR 570.483
- Not as common in CDBG-DR program where grantees can utilize urgent need national objective in accordance with Federal Register Notice
- Most commonly cited for wrongly calculating Low/Moderate Income (LMI) Area Benefit service areas

Common Findings: Financial Management

- 24 CFR 570.489(d), Fiscal Controls and Accounting Procedures
- 2 CFR 200
- Not just Financial Analysts monitoring, this is also a part of Overall Management
- DEO will:
 - Check Financial Management Reports
 - Interview Staff
 - Review source documentation that establishes “basis of cost”

Common Findings: Procurement

- 24 CFR 570.489(g)--vendors
- 24 CFR 570.489(h)—conflict of interest
- Sole Source/ Non-competitive Procurement
- Sandy provisions
 - Performance Requirements
 - “Penalties” or Liquidated Damages
- Overuse of Change Orders

Common Findings: Environmental Compliance

- 24 CFR Part 58
- 24 CFR Part 50
- Incorrect environmental assessment undertaken
- Recognizing “Choice Limiting Actions”
- Expenditures prior to “Authorization to Use Grant Funds” (AUGF)
- Follow up “mitigating actions” – i.e. elevation of structure

Sanctions

- States: 24 CFR 570.495
- Entitlements: 24 CFR 570.910
- May include but not limited to:
 - Advising grantee not to do it again
 - Advising grantee to suspend or terminate payment
 - Making grantee repay funds out of general revenue

Questions?



GRANT CLOSEOUT: WILL YOU BE READY?



Welcome and Speakers

Session Objectives

- Identify grant Closeout requirements
- Identify Closeout reports
- Identify minimum reporting metrics for Closeout
- Identify steps in the Closeout process

Agenda

- Grant Closeout Requirements
- Closeout Reports
- Minimum Reporting Metrics
- Closeout Process Expectations

DR Grant Closeout—Today's Discussion

- Grant Closeout Requirement Tiers
- Disaster Recovery Closeout Process
 - Assessment – Is grant ready to close?
 - Pre-Closeout – CPD Rep/Grantee coordination to complete/correct data
 - Closeout – Process/route documentation and update systems
- What can you do to prepare?

Grant Closeout Requirements

- All Federal Grants: 2 CFR 200 Subpart F
- HUD Grants: 24 CFR 570.509
- CPD Grants: CPD Closeout Notice
- Disaster Recovery Grants: DR Closeout Process

Assessing the DR Grant

What makes a DR Grant appear to be ready for Closeout consideration?

- Financial Status of Grant
 - Grant is at least 90% drawn, and/or
 - Grantee hasn't drawn funds "in a while"
- Status of Activities
 - Most Activities have a status of "Complete"
- Performance of Grant
 - Grantee has reported significant Actual Accomplishments in most activities

DEO Assumptions

- Grant has been monitored
- Grantee has “finished” recovery under this grant
- DRGR Action Plan/QPR are in good condition:
 - Activities are properly categorized (Type & Status)
 - National Objectives are correct/supported
 - All financial “caps” and “goals” have been met
 - Accomplishments have been properly reported
 - Grantee expenditures are fully reported

DEO Assumptions (continued)

- All Financial transactions are complete:
 - Grantee does not intend to draw any more
 - All drawn funds have been expended by grantee
 - It's ok if some grant funds are repaid or left behind
- No outstanding audit issues/corrective actions:
 - DEO/HUD Audits
 - OIG Audits
 - Single Audits

Closeout Reports—Checking Data

- DEO Grant Manager (CPD Rep/Specialist) generates SERA Closeout Reports: (DR Grant Closeout Folder in SERA)
- Two types of reports:
 - Financial Reports
 - Performance Reports

Closeout Reports—Checking Data (continued)

- Financial Report ??
 - Grant meets overall benefit requirement
 - Does not exceed funding caps/limits
- Financial Report ??
 - Identify amount of grant funds that have been drawn, returned by the grantee, or remaining balance that will be left
- Financial Report ??
 - All disbursed funds must be reported as “Expended” by the grantee

Closeout Reports—Checking Data (continued)

- Performance Report ??
 - All Activities have status of “Completed”
 - Actual Accomplishments have been reported and within “reasonable variance” of the Proposed numbers
 - Performance Data has been reported at the minimum required metrics or better (Chart of Minimum Performance Standards on later slides)
- Performance Report ??
 - Verify FHEO Performance Measures and data equal to Total Actuals in Performance Report ??

DR Closeout Reports—Performance Report 01

Minimum Reporting Metrics—Area Benefit

Activity Type:	Performance Metrics:
Public Facilities	# of Public Facilities or # Properties
Infrastructure	# of Public Facilities and/or # Linear Feet of Improvements or # Linear Miles of Improvements
Clearance/Demolition	# of Properties
Debris Removal	# of Properties and/or # of Households
Economic Development	# of Businesses and # of Jobs Created or # of Jobs Retained

DR Closeout Reports—Performance Report 01

Minimum Reporting Metrics—Area Benefit

Activity Type:	Performance Metrics: (Minimum)
Economic Development	# of Businesses and # of Jobs Created or # of Jobs Retained
Housing - Owner Occupied	# of Single Family Units and # of Owner Households
Housing - Multi Family	# of Multi-Family Units and # of Renter Households and # of Properties

Final SERA Reporting

- DEO Grant Manager (Rep/Specialist) works with grantee until all data is correct in SERA – according to Closeout Reports
- DEO Grant Manager (Rep/Specialist) invites Grantee to submit a “final” SERA Action Plan & QPR
 - Submission does not have to wait for the end of a quarter
 - HUD Review/Approval of the QPR must ensure all data is complete, accurate, and reflects final accomplishments in order to allow for closeout of the grant

Grant is “Ready to Close”

- Final QPR is Approved by SERA Grant Manager
- DEO Grant Manager (Rep/Specialist) advises DR Closeout Team that the grant is “Ready to Close”
 - Grant status will be updated to “Ready to Close”
 - Grantee does not have to submit any more QPRs
- DEO Grant Manager asks Grantee to prepare/submit the Closeout Checklist and Certification

The Closeout Begins

- Now the actual Closeout begins
 - Grantee submits Closeout Checklist and Certification
 - DEO Grant Manager reviews documents, resolves any discrepancies with grantee

The Closeout Continues

- DEO Grant Manager (Rep/Specialist) prepares closeout agreement and sends to grantee for signature
- Grantee signs agreement and returns to DEO Grant Manager for signature

What Can You Do to Prepare?

- Communicate with DEO Rep/Specialist
 - Let them know when you are approaching “the beginning of the end”!
- Report data on programs as they close
 - Report Actual Accomplishments
 - Update Activity Status
 - Manage Remaining balances of funds (if possible)
- Check SERA Data
 - Run the Closeout Reports and check your data

What Happens After Closeout?

Be sure you have planned for:

- Compliance Oversight after closeout:
 - Who will do it?
 - How will oversight efforts be funded?
 - What happens if ineligible costs are found later on?
- Program Income generated after closeout:
 - Where will it go?
 - Be sure it is only used for eligible expenditures
- Record Retention Begins!
 - The date of the Closeout Agreement from HUD marks the beginning of the Record Retention – inform any subrecipients/partners

Questions?

