

SECTION B - ESTABLISHING PROGRAM STRUCTURE

1. DESIGNATION OF LOCAL PROGRAM AND FISCAL MANAGER

Each grantee should designate a program manager for the entire contract period. He/she will manage the project and will be responsible for all program compliance. This person should be a staff member, or a consultant/engineer under separate contract. A project manager should not be subject to local elections during the 18-month period the contract is in effect. The project manager must be directly involved in the day-to-day oversight of the project and will handle all project management issues. The administration of a CDBG grant is a time consuming effort; consequently, elected officials should be sensitive to the time demands and relieve the manager of other duties as necessary.

Grantees electing to pass a grant through to a non-profit or similar organization must remember that the jurisdiction is legally responsible for maintaining all required documentation and for compliance with all state and federal laws. Money can be passed through but legal responsibilities cannot!

The locality should also designate a person (fiscal agent) who has power to receive and disburse funds. The fiscal agent may be a clerk or recorder. Accurate records of all deposits, receipts and expenditures associated with CDBG must be maintained.

2. PROGRAM MANAGEMENT

If a grantee desires to contract administration to a third party, three options should be considered. 1) The engineer or architect who completed the design of the project may do the management of public improvement projects such as water, sewer or other types of construction. The service contract should bind the entity for full project compliance. 2) Grantee may contact the Association of Governments (AOG) who may be able to offer a greater level of experience at a lower cost. 3) The grantee may also contract with another entity if no other arrangements can be made.

It will be necessary for the grantee to adhere to state procurement guidelines when identifying a consultant/engineer. These requirements include advertising "requests for proposals" (RFP's), twice in a locally distributed newspaper at least five days in advance of the opening date. Selection criteria must be created and used. The grantee must include Equal Opportunity Employment Standards in the advertisement, and minority contractors should be considered.

3. IDENTIFY LOCAL REQUIREMENTS THAT MAY AFFECT OR BE AFFECTED BY PROJECT IMPLEMENTATION

Each grantee may also be subjected to local rules and regulations specific to their jurisdiction. Prior to start-up, each locality should review each project element to determine if other regulations may apply. For example, if the locality has adopted the Uniform Building Code, all building construction or housing rehabilitation activities must conform to the code. Any contract for performing work on the project must conform to the Uniform Building Code.

Legal counsel for the grantee should review the scope of work outlined in the contract to ensure legal authority under Utah Law to undertake the activities described.

4. PREPARATION OF GRANTEE FILE

ORGANIZATION - The establishment of files both electronic and hard copy is critical to project success, monitoring and public review. Documentation to support compliance is mandatory! Continual updating of information will allow final monitoring to be successful. A general outline is listed below:

a. APPLICATION FILE – Electronic (WebGrants)

All application documents will be reviewed by the State staff prior to grant approval.

b. CONTRACT FILE – Hard Copy

- 1) Award letter
- 2) An executed copy of the grant contract between the grantee and HCD
- 3) All approved amendments

c. FINANCIAL MANAGEMENT FILE – Electronic (WebGrants and/or Hard Copy)*

- 1) Time sheets to document administrative time that will be charged to the grant
 2. A copy of the general ledger or equivalent
 3. Documentation of all expenditures including invoices and cancelled checks
 4. Proof of receipt of payment from the state - copy of the state checks
 5. Deposit documentation of state fund receipts and bank deposit slips
 6. Payroll records for local staff administering the contract including time sheets and attendance records if the grantee is spending grant funds for administration purposes
 7. Monthly bank statements
 8. Audit reports including both the financial audit and the compliance and program audit
- *If all documentation has been submitted electronically (WebGrants) with each claim, hard copies are not required.**

d. PROFESSIONAL SERVICES (If applicable) – Hard Copy

- 1) Request for Proposal (RFP)
 - 2) Consultant contract
 - 3) An agreement for engineering or architectural services if a construction project
- This file is required if CDBG funds are used to pay for the services.

e. ENVIRONMENTAL REVIEW FILE – Hard Copy

- 1) Letter designating Environmental Certifying Officer (ECO), if required.
- 2) Description of Proposed Action (DPA)
- 3) Environmental Checklist and supporting documents
- 4) Environmental publications, if required.
- 5) Environmental Release letter from state
- 6) Any miscellaneous correspondence, notes, etc.

f. CONSTRUCTION FILE* (If applicable) – Hard Copy

- 1) Bid specifications packet
- 2) Newspaper Proofs of Publication
- 3) Requests for bids
- 4) Bid tabulations
- 5) Contractor bids
- 6) Contractor eligibility letter from the state
- 7) Construction contract document and other related materials

g. LABOR STANDARDS FILE* (If applicable) Hard Copy

- 1) Request for Davis Bacon wage determinations
- 2) Pre-construction conference minutes
- 3) Contractor payroll forms
- 4) Interview forms

**The Construction and Labor file may be maintained collectively if the grantee desires. The grantee may find it easier to access information if it is separated, especially for complex construction projects.*

h. CLOSEOUT- Electronic (WebGrants)

- 1) The completed closeout packet
- 2) Single audit
- 3) Monitoring letter from the state
- 4) Final closeout from state

i. AMERICANS WITH DISABILITIES (ADA) NEEDS ASSESSMENT/INVENTORY (Hard Copy)

- 1) Inventory of City/County owned buildings.
- 2) A 504 Checklist for Determining Architectural Barriers of inventoried structures.
(This checklist is available from the State CDBG staff.)

If the grantee has had a CDBG grant before, this checklist should have already been completed. If the grantee is new, the checklist must be completed and maintained in the files and will be reviewed at the time of monitoring

l. CIVIL RIGHTS FILE – (Hard Copy)

- 1) Documentation of EEO compliance when advertising for jobs.
- 2) Copy of EEO resolution.
- 3) Availability of personnel policies.
- 4) Documentation to identify employee minority and ethnic status

Additional Files are Needed for the Following Project Types

j. HOUSING REHABILITATION FILES

This file should contain a copy of the locally established procedures for conducting the housing rehabilitation program. Each house rehabilitated should have its own file with contracts, inspection reports, environmental release letter and procurement of contractor data.

k. ECONOMIC DEVELOPMENT FILES

- 1) Agreement between the locality and the loan recipient.
- 2) Each loan should have its own file that contains all loan specific information.

The grantee must be able to document involvement in the creation of jobs and job types with completed income certification forms. Refer to Economic Develop Section to review eligible activity and compliance. Examples of documentation are listed below:

- (a) Copies of the actual E.D. plans developed.
- (b) E.D. conferences/workshops/training attended or sponsored (dates, places, and attendees).

(c) Companies or firms who requested or were provided information pertinent to E.D. i.e., a date log listing the company/individual(s) requesting assistance, information requested, assistance provided, outcome, i.e., were jobs created as a result?

(d) E.D. promotional activity/documents prepared.

(e) Copies of income certifications.

(f) Other miscellaneous information proposed in the contract scope.

m. ACQUISITION OF REAL PROPERTY, WATER RIGHTS or EASEMENTS:

- 1) Notice of exemption, if appropriate
- 2) Correspondence with owner, negotiations
- 3) Preliminary acquisition intent letter
- 4) Evidence of receipt of letter by owner
- 5) Appraisal and review appraisal
- 6) Purchase offer, final purchase offer
- 7) Deed, title evidence
- 8) Closing documents
- 9) Proof of payment
- 10) Appeals

5. Frequently Asked Questions

1- What if the originally designated program manager leaves office or terminates employment, or for some other reason is no longer available to act in that capacity?

The grantee must immediately notify their state program specialist; a new program manager must be designated; this person must make an appointment to meet with the program specialist to obtain the necessary training before any other action can take place on the grant.

2- Does anyone ever really look at these files?

YES! Every grantee will receive an in-person visit from their program specialist before final funds can be drawn-down.