

**TOWN OF ISLIP COMMUNITY DEVELOPMENT AGENCY (CDA)**

**15 Shore Lane, Bay Shore, NY 11706**  
**(631) 665-1185**                      **www.islipcda.org**

**Announcement to Not-for-Profit Charitable Organizations of Availability of:**  
**COMMUNITY DEVELOPMENT GRANT FUNDS (CDBG)**  
**In Response to COVID-19**

On behalf of the Town of Islip, the CDA Board of Directors and entire CDA staff, we hope this announcement finds you, your family and staff well during this challenging time.

We understand that the safety and well-being of our communities is one of the most important priorities during this unprecedented and difficult time.

For this reason, the Town of Islip and CDA is taking immediate action to “Flatten the Curve” by reaching out to all public service, charitable not-for-profit agencies.

We are pleased to announce the availability of grant funds to assist your organization with expenses that you have incurred or are likely to incur to prevent, prepare for and respond to limit the exposure and spread of the coronavirus COVID-19.

The following are eligible activities that prevent, prepare for and respond to the spread of COVID-19:

- Supplies – masks, gloves and gowns
- Cleaning equipment or cleaning services
- Payroll for additional staff directly related to the COVID-19 crisis
- Deliver meals to quarantined individuals or individuals who need to maintain social distancing from others due to medical vulnerabilities.

If you are interested in applying for this grant, please visit us on our website at:

[www.islipcda.org](http://www.islipcda.org)

Keep safe, be healthy and stay well.

**James H. Bowers**  
**EXECUTIVE DIRECTOR**  
**Town of Islip**  
**Community Development Agency**

## **PUBLIC NOTICE**

The Town of Islip Community Development Agency will hold a virtual public hearing to receive input on the Substantial Amendment to the Town's 2019 Annual Action Plan to re-appropriate HUD's previously approved CDBG project budgets to include COVID-19 Relief Related Projects.

COVID-19 Project Proposals using 2019 CDBG funds will be accepted at this time and until 12:00 PM on April 30, 2020. Deadline for submission of Project Proposals may be extended until a time that all available funds have been encumbered. For further information and/or application, call the CDA at 631-665-1185 or visit our website at [www.islipcda.org](http://www.islipcda.org).

The draft of the Substantial Amendment to the 2019 Annual Action Plan will be presented at a virtual public hearing which has been advertised and scheduled for April 27, 2020 at 5:00pm, being made available through Zoom Cloud Meetings which will then be immediately followed by a 5-day comment period. Draft of the Substantial Amendment to the 2019 Annual Action Plan will be available on the Agency Website at [www.islipcda.org](http://www.islipcda.org).

The meeting is open to the public:

Application: Zoom

Meeting ID: **911 2403 5036**

URL: <https://zoom.us/j/91124035036>

For further information, call the CDA at 631-665-1185.

James H. Bowers  
EXECUTIVE DIRECTOR  
Town of Islip  
Community Development Agency

# TOWN OF ISLIP COMMUNITY DEVELOPMENT AGENCY



BOARD OF DIRECTORS  
Debra Cavanagh, Chairperson  
Jarett Gandolfo • Ryan T. Kelly • Timothy Morris • Manuel Troche



James H. Bowers, *Executive Director* • Julia E. MacGibbon, *Assistant Director*

## MEMORANDUM

TO: All Prospective CDBG Applicants

FROM: James H. Bowers, Executive Director

DATE: April 27, 2020

RE: Announcement CDBG Grant Funds - in Response to COVID-19  
Application Guidelines, Procedures and Requirements

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On behalf of the Town of Islip, CDA Board of Directors and entire CDA staff, we hope this notice finds you, your family, friends and staff healthy and well during this challenging time.

I am delighted to announce that CDBG grant funds are available to assist your organization with eligible expenses that you have incurred and paid or are likely to incur to prevent, prepare for and respond to the coronavirus pandemic.

The following is a range of eligible activities that prevent and respond to the spread of infectious diseases such as the COVID-19:

- Supplies – masks, gloves and gowns
- Cleaning equipment or cleaning services
- Payroll for additional staff directly related to the COVID-19 crisis
- Deliver meals to quarantined individuals or individuals who need to maintain social distancing from others due to medical vulnerabilities.

Supporting documentation will be required whenever submitting a reimbursement claim:

- 1 Reimbursement of eligible purchase made (i.e. paid invoices/receipts cancelled checks).
- 2 Reimbursement of payroll expenses. Documentation providing employee's time, salary, benefits and expenses related to the program, (i.e. timesheets or cost allocation and payroll register or paystubs).
- 3 A Monitoring Form with spreadsheet summarizing the income eligibility, demographic information and accomplishments.

In preparing your application/proposal, please keep in mind that the funds must benefit low- and moderate-income individuals and/or families. Those assisted must have incomes below the HUD 80% income guidelines.

With pre-existing programs, CDBG funds cannot be used in place of other funds unless those funds have been cut-off. Also, for pre-existing programs funded by other sources, CDBG funds may be used only if the intent is to increase the number of persons assisted.

Provided herein is an outline of the application requirements, HUD's most recent income guidelines including subrecipient annual monitoring form that will be required when submitting for a claim. Keep the narrative brief, concise and make sure to include all requested information.

Sections from CDA's Administrative Procedures Manual are also included that pertain to:

- The Overall Guidance for Compliance
- The Application and Award Process
- Financial Management
- Performance Reviews
- Subrecipient Monitoring and Program Compliance

If you wish to apply for COVID-19 Project using 2019 CDBG funds, proposals will be accepted at this time and until 12:00 PM on May 15, 2020. Deadline for submission of Project Proposals may be extended until a time that all available funds have been encumbered. For further information and/or application, call the CDA at 631-665-1185 or visit our website at [www.islipcda.org](http://www.islipcda.org).

Grant awards will be announced as soon as the CDBG grant funds are approved for funding by the U.S. Department of Housing and Urban Development.

If you have any questions or require technical assistance, please do not hesitate to communicate with Julia E. MacGibbon at [jmacgibbon@islipcda.org](mailto:jmacgibbon@islipcda.org) or Robert M. Kuri [rkuri@islipcda.org](mailto:rkuri@islipcda.org)

# **PUBLIC SERVICE FUNDS APPLICATION**

## **A. Cover Page**

1. Name and address of agency
2. Contact person and title
3. Phone and fax numbers
4. Name and title of person who will be signing our Subrecipient Agreement
5. Previous years funded and amount of grants
6. DUNS Number and Federal I.D. Number

## **B. Description of Agency**

1. Type of corporation
2. Mission
3. Years in existence
4. Current Programs
5. Board of Director's Membership Roster
6. Organization Chart
7. Articles of Incorporation (Stamped by Sec. of State)

## **C. Description of Agency's Financial Position (For the most recently ended fiscal year)**

1. Most recent Annual Financial Report and Independent Auditors' Letter to Management.
2. IRS 990 Return of Organization Exempt from Income Tax.
3. NYS CHAR 500 Annual Filing for Charitable Organizations
4. Compliance with Single Audit-Supplemental Financial Report, formerly OMB Circular A-133, codified to 2 CFR Subpart F section 200.501 "Audit Requirements" must be provided or a letter from your independent auditor, stating that you fall below federal award threshold of \$750,000.
5. Management Letter – Statement from your CEO, CFO or independent auditor confirming the overall position of the organization and certifying that your accounting system conforms to 2 CFR Part 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."
6. IRS Federal Tax-Exempt Status Letter.
7. NYS Form ST-119 - Exempt Organization Certificate with Certificate Number.

## **D. Description of Proposed Project**

1. Need for the proposed Program
2. New or expansion of existing Program
3. Number assisted or to be assisted
4. Source of referrals
5. Type of income verification
6. Time-frame
7. Staffing
8. Geographic area to be served

**E. Budget**

1. Cost breakdown of:
  - Reimbursable of eligible expenses already incurred
  - Anticipated eligible expenses that you will incur
2. Other funding sources
3. CDA grant funds requested

**F. Monitoring of Public Service Activities**

1. We will anticipate a fully completed Subrecipient Monitoring Form as shown on page 6-7, for any activities and assistance provided in the past fiscal year.
2. Intake forms or a spreadsheet with the demographic information must be included to support the individuals assisted/served as indicated in the data that you furnished in the Annual Monitoring Form.
3. Monitoring inspection and site-visit for Program Compliance will be mandatory for any approved public service sub-recipients.

**G. Insurance Requirements**

1. General Liability Insurance Certificates, naming the Town of Islip Community Development Agency as “additional insured.”
2. Workers Compensation Certification

**2020 HUD Income Guidelines**  
**“UNCAPPED” LOW INCOME LIMITS**  
**For Nassau and Suffolk Counties**  
**Effective: April 1, 2020**

The following table represents the Low/Mod Income Limits for 2020:

	<b>Family Size</b>							
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
<b>Very Low 30</b>	26,600	30,400	34,200	38,000	41,050	44,100	47,150	50,200
<b>Low 50</b>	44,350	50,650	57,000	63,300	68,400	73,450	78,500	83,600
<b>Low /Mod 80</b>	70,900	81,000	91,150	101,300	109,400	117,500	125,600	133,700

This chart is based on HUD's April 1, 202020 Publication FY 2020 Median Income for a family of four, which is now@ \$126,600

**TOWN OF ISLIP COMMUNITY DEVELOPMENT AGENCY**

15 Shore Lane, P.O. Box 5587, Bay Shore, New York 11706

Office: (631) 665-1185 Facsimile: (631) 665-0036

**SUBRECIPIENT MONITORING FORM**  
**Reporting Period - Commencing June 1, 2020**

**Public Service Organization:** \_\_\_\_\_

**Name of Program:** \_\_\_\_\_

**Areas Served (Be Specific:** \_\_\_\_\_

**DESCRIPTION OF THE PROGRAM**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**ACCOMPLISHMENTS – OUTCOMES - SUCCESSES**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**REPORTING OF INDIVIDUALS SERVED**

Total number of Individuals Assisted (include all members of an assisted household when appropriate): \_\_\_\_\_

Number of Recipients from Low/Mod Income Households (between 51% to 80%): \_\_\_\_\_

Number of Recipients from Low Income Households (between 31% to 50%): \_\_\_\_\_

Number of Recipients from Extremely Low-Income Households (30% or below): \_\_\_\_\_

Number of Individuals Served from Female Headed Households: \_\_\_\_\_



**RACE AND ETHNICITY**

Number of Individuals Served	<u>Race</u>	<u>Hispanics*</u>
White		
Black/African American		
Asian		
American Indian/Alaska Native		
Native Hawaiian or Other Pacific Islander		
American Indian/Alaskan Native & White		
Asian & White		
Black/African American & White		
American Indian/Alaskan Native & Black/African American		
Other Multi-Racial		
<b>Total Number of <u>Race and</u> Hispanics</b>		

\* Please Note that Hispanics are an ethnicity **NOT** a race. After you report on an individual’s race, you must then report whether they are Hispanic as well. For each column, you must provide the number of individuals served for each race and how many within **each** race are Hispanic.

Prepared By: \_\_\_\_\_  
(Name and Title)

Signature: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Date: \_\_\_\_\_

**Please note:**

1. The Monitoring Form must be fully completed, signed and dated.
2. All corresponding intake forms or summary spreadsheet must be included.
3. The Monitoring Form and the Summary of Demographic Information Spreadsheet must be received by with every requisition of payment.

**Kindly forward the above documentation to:**  
 Robert M. Kuri, AHP Director  
 Town of Islip Community Development Agency  
 15 Shore Lane – P.O. Box 5587  
 Bay Shore, New York 11706

# **Overall Guidance for Compliance**

The Agency will follow the regulations governing the CDBG program which are found in Title 24 of the Code of Federal Regulations (CFR) Part 570, Community Development Block Grants.

## **Grant Administration - Subpart J**

The Town of Islip Community Development Agency staff accepts the responsibility for ensuring that CDBG funds are used in accordance with all program requirements. The use of designated public agencies, subrecipients, or contractors does not relieve the Agency staff of its responsibility. The Agency staff is also responsible for determining the adequacy of performance under subrecipient agreements and procurement contracts, and for taking appropriate action when performance problems arise, such as the actions described in this manual §570.910.

## **Objectives/Priorities/Criteria**

### **1. National Objectives - CDBG**

During each program year, not less than seventy percent (70%) of CDBG funds must be used for activities that benefit low- and moderate-income persons. In addition, each activity must meet one of the following National Objectives for the program:

- a) Benefit low- and moderate-income individuals, families or neighborhoods;
- b) Prevention or elimination of slums or blight; or
- c) Address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available.

### **2. Town/Agency Priorities - CDBG**

- a) Expand housing opportunities to very low- and other low-income renters and expand owner occupied housing opportunities for low-income first-time home buyers.
- b) Improve housing for very low- and other low-income homeowners.
- c) Facilitate the location of housing for the homeless and households with specialized needs.
- d) Expand employment opportunities for low- and moderate-income persons.
- e) Stabilize and improve quality of neighborhoods.
- f) Provide equal access to public facilities and private homes through the removal of architectural barriers.
- g) Break the cycle of poverty by addressing the needs of disadvantaged children and other special needs populations.

### **3. Town/Agency Priorities – Public Services**

Public Service funds are used to provide direct services; funds shall not be used for capital improvements or mortgage payments.

- a) First Priority - Services which assist low-income and at-risk youth in developing their full potential educationally, emotionally, and in terms of employability; and
- b) Second Priority - Services which assist low-income adults with employment readiness and life skills.

### **4. Combined Funding Application Criteria**

The following standards currently apply to organizations applying for Community Development Block Grant (CDBG) and/or Public Services funds:

- a) Programs should primarily benefit low and moderate-income residents as per the most recent demographics for LMA analyses after each decennial census.
- b) Programs must address specific social or physical needs and conditions of the people they propose to serve. Documentation could include social indicators, demographic data, surveys, community plans and need as perceived by potential consumers.
- c) Programs must present a marketing strategy, which includes specific efforts to reach ethnic communities.
- d) Programs must demonstrate support from the people for which the program is proposed.
- e) Agencies must clearly identify all funding sources and justify proposal if services are available through another source.
- f) Agencies shall seek funding, or demonstrate funding support from other public/private sources. The CDA shall not be committed to total support of a program nor shall the Agency be committed to continue funding in the case where other support is withdrawn.
- g) CDBG funds through Islip CDA should support only those services that directly benefit residents of the Town of Islip.
- h) Administrative costs shall be held to a minimum and will be scrutinized during the program review process.
- i) Programs shall identify geographical areas where they propose to provide services.

## **Basic eligible activities**

### **24 CFR §570.201**

The Agency may assist an activity in whole or in part with CDBG funds for activities which include, but are not limited to the following:

- 1) Acquisition of real property;
- 2) Relocation and demolition;
- 3) Rehabilitation of residential and non-residential structures;
- 4) Construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes;
- 5) Public services, within certain limits;
- 6) Activities relating to energy conservation and renewable energy resources; and
- 7) Provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities.

## **Ineligible activities**

### **24 CFR §570.207**

The general rule is that the Town of Islip's CDBG funds shall not be used for any activity that is not authorized under the provisions of §570.201–§570.206.

Generally, the following types of activities are ineligible:

- 1) Acquisition, construction, or reconstruction of buildings for the general conduct of government;
- 2) Political activities;
- 3) Construction of new housing by units of general local government.
- 4) Purchase of construction, fire prevention equipment, and furnishing and real property.
- 5) Income subsistence-type grant payments; and
- 6) Operating and maintenance expense.

# **Sub-grantee Application and Award Process**

## **1. Town Board and Agency Board of Directors Participation**

Since Congress appropriates all HUD program funds annually, the Agency will act to apply for CDBG funds annually and determine, based on the amount of CDBG funds available to the Town and the recommendations of the Town of Islip CDA, the use of funds each year.

The Agency will seek approval and direction from the Town Board and/or Board of Directors concerning the process, priorities and uses of CDBG public service funds each new program year.

All Agency and Town actions will be conditional upon the availability of funds.

## **2. Application Release and Schedule**

The Town Board of the Town of Islip directs the application for Community Development Block Grant (CDBG) funds to be released each year.

The Agency Board of Directors approves the process by which funding recommendations will be developed. The schedule will be determined annually by CDA based upon the following guidelines:

April 27, 2020	Opening for COVID-19 Project Proposals using 2019 CDBG Technical Training & Assistance, offered upon request
May 1 - 30, 2020	Review Period and Ranking of Proposals - Applicant Interviews (if needed) Monitoring Subrecipients/Sponsors – In-house review and general oversight
May 15, 2020	Deadline for submission of COVID-19 Project Proposals. May be extended until a time that all available funds have been encumbered.
June, 2020	Ranking and Recommendations compiled by CDA Notifications of a Potential Grant Award Review and Entering into a Subrecipient Agreement
June 30, 2020	The close of Islip CDA's Fiscal/Program Year
July 31, 2020	CDA review of submitted Subrecipient Monitoring Form(s) with Demographic Information and Data Spreadsheet for CDBG (page 6-7)
Beginning October	Monitoring Subrecipients/Sponsors – On-site Visit

## **3. Solicitation of Applications for CDBG Funds**

In order to ensure maximum participation, notice of funding availability, information on requirements and the orientation are mailed to all agencies that expressed an interest in applying during the previous year and to those who have applied for funding in the past two years.

Current grant recipients are also e-mailed the funding announcement and the time, date and location of the public hearing. In addition, notices are placed in a newspaper of general circulation (such as *Newsday*), and the announcement is posted on the Agency's web site informing the public of the opportunity to apply.

#### **4. Application Requirements**

Applicants shall apply for funds during the open Application Period. All applicants will submit a Master application detailing the proposed program, goals, measurable objectives and agency/program finances.

Capital improvement applicants must also submit a supplemental application outlining the proposed project. As part of the application packet, applicants must submit the following documents:

- a) Contractual Provisions
- b) Board of Director's Minutes
- c) Board of Director's Membership Roster and Organization Chart
- e) Application Approval and Declaration
- f) Articles of Incorporation (Stamped by Sec. of State)
- g) Agency and Program Financial Information/Budget
- h) Client Data
- i) Most recent Financial Audit Report and Independent Auditors' Letter to Management
- j) IRS 990 Return of Organization Exempt from Income Tax
- k) NYS CHAR 500 Annual Filing for Charitable Organizations
- l) Compliance with Single Audit-Supplemental Financial Report codified to 2 CFR Subpart F section 200.501 "Audit Requirements" must be provided or a letter from your auditor, stating that you fall below federal award threshold of \$750,000.
- m) Management Letter – Statement from your CEO, CFO or independent auditor confirming the overall position of the organization and certifying that your accounting system conforms to 2 CFR Part 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."
- n) IRS Federal Tax-Exempt Status Letter
- o) NYS Form ST-119 - Exempt Organization Certificate with Certificate Number.

If the audit has not been completed by the time of the open Application Period, applicant can submit unaudited financial statements for purposes of proposal review. If the 990 Tax Return has not been completed by the time of the open Application Period, applicant can submit a copy of their extension form.

#### **5. Assistance to Applicants**

Applications/Proposals can be submitted via e-mail, but you must send a hard copy by U.S. Mail Service with all required information included.

CDBG Orientation, Technical Training and Assistance are offered and available by request to all prospective applicants, pertaining to the application process, program changes, funding requirements, criteria and priorities.

Agency staff will present and answer questions on program guidelines, applicant and activity eligibility requirements, the National Objectives for the programs, local objectives and priority activities in the Town's five-year Consolidated Plan, and application requirements.

Staff will be available for technical assistance from the beginning of the application period until the deadline date for submission.

## **6. Review of Applications by Staff**

Agency staff will review the applications after submission to ensure that the applications are complete, and that the applicant and proposed program qualify for funding under U.S. Department of Housing and Urban Development regulations, as well as the Town's five-year

Consolidated Plan: Staff will also review information on the applicant to ensure that the applicant is an eligible nonprofit organization.

Prior to the application deadline, applicants are given the opportunity to meet with staff to review any errors, omissions and/or corrections to their application. After the deadline, no further changes may be made.

Agency staff will keep original applications of agencies awarded CDBG funds for subsequent use in preparation of contracts.

## **7. Agency Application Review**

Agency staff will review the National Objectives, criteria and priorities established by the Town and the Agency Board of Directors. Local objectives demonstrate the Town's priorities for community development; all CDBG-funded programs must meet one of the National Objectives and one or more of the local objectives.

Agency staff will make determinations with regard to funding subject to Town and Agency Board of Directors approval and provide information to the Town and Agency Board of Directors as to the maximum amount of funds available in the CDBG and Public Services programs and the amounts that can be allocated for public services and capital projects.

Agency staff shall review applications thoroughly and fairly, and shall evaluate the proposals on the basis of information provided in the application and according to the evaluation criteria.

Agency staff will review the previous reports of grant recipients to ascertain how well a recipient is fulfilling goals and objectives set forth for the program. Staff will provide results of performance reports to the Board of Directors, if requested, which will include, but will not be limited to the following:

- a) The amount of CDBG funding received by an applicant organization from the Town/Agency in the past two years, if any;
- b) The extent to which applicants have collaborated with other agencies or community organizations to deliver and/or expand services;

- c) The extent to which a proposed program complements or expands upon existing services provided by other agencies or organizations, or duplicates existing services without demonstration of additional unmet needs;
- d) The extent to which previously-funded organizations have met program objectives, satisfied contract obligations, and expended allocated funds in an efficient, appropriate and timely manner;
- e) How closely the proposed project meets National Objectives, local objectives in the Consolidated Plan, and local priorities as determined by the Agency Board of Directors;
- f) Whether the applicant organization is new or has significantly expanded their services

Reports on performance by sub-grantees will also be provided to the Agency Board of Directors with funding recommendations and always when a subrecipient has failed to perform according to contract.

Should credible information be provided to Staff concerning a program's current performance and staff determines the information directly impacts either current funding or proposed funding, staff is obligated to report such information to the Agency's Board of Directors.

## **8. Agency Site Visits**

Agency staff shall annually conduct on-site visits to all currently funded projects, many of which apply annually.

## **9. Applicant Interviews**

Agency staff may conduct interviews with any or all of the applicants if deemed necessary for proper review or evaluation.

Applicants will be given the opportunity to make a presentation before the Agency Board/Staff at the annual input public hearing to explain their program and funding request. Questions from Board Members and staff will be encouraged.

Agency staff shall treat all applicants with respect, and without regard to personal beliefs, be non-confrontational and shall not interject personal viewpoints on particular issues into interviews or Agency discussions.

## **10. Scoring and Ranking of Applications**

Following the interviews, staff shall individually score applications on the basis of objectives, criteria, priorities, information provided in the application, past and current performance.

Agency Staff shall not be influenced by information that is not publicly available concerning the operation, management or staff of applicant agencies or organizations when rating the application.

However, as stated above, should credible information be provided to Staff concerning a program's current performance and staff determines the information directly impacts either current funding or proposed funding, staff is obligated to report such information.



Agency Staff shall judge applications solely on the merits of the application and the objective criteria. Staff will not be influenced by their personal convictions or viewpoints. If a staff member feels that she/he cannot judge an application fairly and impartially, conflict of interest provisions as discussed in this manual shall apply.

## **11. Rating Criteria**

Each of the 5 major categories listed below is worth up to 5 points for a total score of 25 points.

- a) **AGENCY:** Track record, Board of Directors, diversity, marketing
- b) **PROGRAM:** Qualifications (management and program staff), extent to which the program addresses a National Objective, extent to which the program addresses a Local Objectives; Need for the program; Meets Priorities, Goals and Objectives; Monitoring, Service; Measurable outcomes; Collaboration and Partnerships
- c) **NEED:** Extent to which the program provides a clear Community Benefit, Unduplicated service
- d) **CLIENTS:** service to low income clients, composition/diversity
- e) **FINANCES:** Budget and finances, Record-keeping, accountability, accounting, internal controls, revenues and expenses, past performance Prior experience with CDBG or other federal funds

## **12. Funding Recommendations**

After rating each applicant, the Agency staff suggests funding amounts (if any) for each applicant.

The Board of Directors deliberates on the Agency Staff's recommendations.

Final recommendations are approved by majority vote of the Board of Directors.

In years when CDBG entitlement amount is not known, an estimated amount will be used. The amount of funds awarded may be adjusted as per Board of Directors contingency plan.

This plan is utilized when the CDBG entitlement differs from the estimate.

Funding recommendations and contingency plan (if needed) are submitted to the Agency Board of Directors for approval.

## **13. Conflict of Interest Declarations**

Before discussion of applicant organizations and agencies, Agency staff and/or members of the Agency Board of Directors shall declare relationships, if any, with applicant organizations or persons associated with the applicants.

This may include:

- a) Serving as a Board member of or volunteer in an applicant agency or organization;
- b) Membership or participant in activities of an applicant agency or organization;
- c) Direct contributor to an applicant agency or program;
- d) Beneficiary of the activities or services of an application agency or program; and
- e) Any connection with the applicant that would constitute or that could be perceived to constitute a conflict of interest.

When a Staff member and/or Director has a perceived or real conflict of interest with an applicant organization, the staff member and/or director shall refrain from considering the application the application and shall withdraw from any discussion of the merits of the application and/or voting on said application, etc.

Staff and/or any Director shall also declare any personal interest in an organization that is in direct competition with an applicant organization that may cause them to rank the application other than strictly on the merits of the application.

#### **14. Public Participation and Agency Board of Directors Action**

Responsibility for the appropriation of all CDBG and Public Service funds rests with the Agency Board of Directors, but HUD regulations require a certain level of public participation. Public participation is accomplished through a series of public hearings and opportunity for public comment on the annual Action Plan prior to the submission of the plan to HUD. The Town/Agency shall follow its Citizen Participation Plan as set forth in the Consolidated Plan and Action Plan.

- a) Annual Public hearing hosted by the Agency Board of Directors in February/March for input from the public on projects, funding priorities and past performance
- b) Feedback hearing in March/April on the draft Plan hosted by Agency staff
- c) Agency Board consideration and approval of annual (or 5 year) plan at meeting in April/May
- d) Town Board consideration and approval of annual (or 5 year) plan at meeting in early May

## **Financial Management**

a) The Agency provides reimbursement payments to contractors and subrecipients based on verification of expenditures by submission of a request for payment form (voucher) with all required back-up documentation. The payment request is reviewed upon submission and approved by applicable Agency staff and either the Executive Director or the Assistant Director. This payment request is then forwarded to the Finance Department to issue and mail the check to the subrecipients.

b) Subrecipients shall normally be paid directly as reimbursement for eligible expenses. Subrecipients of CDBG funds for capital projects must enter into a subrecipient agreement. Funds will be paid directly to the subrecipient at a formal closing, once the work order (approved proposal has been fully completed. Closing will be scheduled only upon presentation and receipt of all required documentation and information such as:

- 1 Completed HUD environmental checklist – Suggested Format for Categorically Excluded Federal/HUD Projects subject to 58.5;
- 2 Lead base Paint Report; A detailed write-up for the renovation work;
- 3 Estimates from at least three reputable, licensed and insured contractors (including Davis Bacon Wage rates);
- 4 A fixed fee contract for the work to be performed by the lowest responsible bidder; a
- 5 Paid invoices together with cancelled checks from the contractor or vendor
- 6 All Davis Bacon payroll reporting, if applicable.

Final payments to subrecipients will be made only upon submission of final program reports that document the achievement of program goals and satisfactory completion of the CDBG funded activity.

c) Each request for payment by contractors or subrecipients must have adequate documentation for the costs incurred such as payroll records, purchase orders, copies of canceled checks, timesheets reflecting time spent directly on CDBG activities, etc. Requests must be only for costs directly related to the approved activity and included in the approved budget attached to the contract.

d) Subrecipients may not use CDBG funds for general administrative costs or “overhead” costs unless the subrecipient has established cost allocation for such costs applicable to all subrecipient activities regardless of funding source.

e) Subrecipients will be required to submit requests for reimbursement at least quarterly in order that the Town/Agency may demonstrate its timely use of CDBG funds.

f) CDBG expenditures as shown in the Agency’s accounting system are reviewed on at least a monthly basis by the Assistant Director, Chief Financial Officer and/or the Director of Administrative Services who initiates the paperwork for a drawdown of funds through the IDIS reporting system based on actual expenses. The Director of Administrative Services prepares the request for funds and the Executive Director or Assistant Director approves the drawdown. Upon the approval of the drawdown all records are forwarded back to the Finance Department for entry into the Agency’s accounting system (Timberline) after acknowledgement in IDIS of receipt of funds from the U.S. Treasury.

g) The Town/Agency will not request CDBG funds in advance or as “float” funds from the United States Treasury.

## **Performance Reviews - Subpart O - Monitoring of Subrecipients**

The Agency staff will monitor all subrecipients to ensure program compliance. Staff will utilize both “Desk Monitoring” and “Internal/On-site” monitoring to assess the quality of program performance over the duration of the contract.

Monitoring provides information for making informed judgment about program effectiveness and management efficiency, as well as identifies internal weaknesses that may contribute to fraud or abuse.

The procedures established are to ensure program compliance with the requirements of the Subpart O and all other applicable laws and regulations.

Monitoring of subrecipients shall concentrate on program, financial, and regulatory performance of the subrecipients, including subrecipients of capital improvement project funds. Primary monitoring objectives are to make sure that subrecipients comply with all regulations governing administrative, financial, and programmatic operations.

In conducting monitoring and performance reviews, Agency staff will primarily rely on information obtained from the subrecipients’ performance reports, records, audits, allowed costs, review of financial reports, eligibility and number of beneficiaries served, compliance with federal regulations and Agency program requirements.

Staff may also consider relevant information pertaining to a recipient's performance gained from other sources, including litigation, citizen comments, and other information provided by or concerning the subrecipient.

Within three months of contract execution, Agency staff shall develop and implement a monitoring schedule to visit all new subrecipients. Previously funded subrecipients shall be monitored as per a review system established by Agency staff based upon grant amounts, reporting and performance, but shall be no less often than every other year.

Monitoring visits shall include review of compliance by funded agencies and organizations of federal EEO and Section 504 ADA requirements. A record of monitoring visits and any subsequent action shall be maintained in the files of each CDBG subrecipient.

### **Corrective and remedial actions** **24 CFR §570.910**

A subrecipient's failure to perform under the terms of the contract with the Agency and/or maintain records in the prescribed manner may result in a finding that the subrecipient has failed to meet the applicable requirement to which the contract with the subrecipient pertains.

If the staff finds that a recipient has failed to comply with program and/or contract requirements or has failed to meet a performance criterion, staff will take the following steps:

- (1) Issue a letter of warning advising the recipient of the deficiency and putting the recipient on notice that additional action will be taken if the deficiency is not corrected or is repeated;

- (2) Recommend, or request the recipient to submit, proposals for corrective actions, including the correction or removal of the causes of the deficiency.

Agency staff will offer technical assistance to subrecipients when monitoring indicates less than complete compliance with CDBG regulations or contract requirements.

Such assistance may include, but is not limited to, providing applicable copies of Office of Management and Budget (OMB) circulars, in particular OMB Circular No. A-122 (2 CFR Part 230) *Cost Principles for Nonprofit Organizations*. In addition, the latest edition of *Playing by the Rules* guidance for CDBG subrecipients may be provided.

If the subrecipient fails to undertake appropriate corrective or remedial actions which resolve the deficiency to the satisfaction of the Agency staff, the staff may take one or more of the following actions.

Such actions shall be designed to prevent a continuation of the performance deficiency; mitigate, to the extent possible, the adverse effects or consequences of the deficiency; and prevent a recurrence of the deficiency.

Prior to a reduction, withdrawal, or adjustment of a grant or other appropriate action, taken pursuant to (1), (2), or (3) below, the recipient shall be notified of such proposed action and given an opportunity within a prescribed time period for an informal consultation.

These actions may include but are not limited to the following:

- (1) Advise the subrecipient in writing that additional assurances are required;
- (2) Advise the subrecipient to suspend disbursement of funds for the deficient activity;
- (3) Advise the subrecipient to reimburse the Agency program account in any amounts improperly expended

The Agency shall have the same rights as the Secretary of HUD as to other remedies for noncompliance per § 570.912 and § 570.913.

**CDBG - In Response to COVID-19**  
**PUBLIC SERVICE - SUBRECIPIENT MONITORING**  
**PROGRAM COMPLIANCE CHECKLIST**

Fiscal Year: May 1, 2020 to June 30, 2021      Monitoring Date: \_\_\_\_\_

Sub-Recipient: \_\_\_\_\_

Program/Project: CDBG - In Response to COVID-19

Budget Amount: \_\_\_\_\_ Expended to Date \_\_\_\_\_

In Attendance: \_\_\_\_\_

**ANNUAL COMPLIANCE REPORTS AND COMMENTS**

1. Y/N      Reports were timely?

\_\_\_\_\_  
\_\_\_\_\_

2. Y/N      Statistics were fully completed?

\_\_\_\_\_  
\_\_\_\_\_

3. Y/N      Accomplishments was provided in narrative?

\_\_\_\_\_  
\_\_\_\_\_

**WORK PERFORMANCE**

1. Y/N      Is the work being carried out as described in the application and agreement?  
Discuss any deviations:

\_\_\_\_\_  
\_\_\_\_\_

2. Y/N If no on #1, do all the changed activities appear to be eligible? Explain:

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3. Y/N Are staff and volunteers of sufficient number and training for activity? If not, explain:

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**MEETING NATIONAL OBJECTIVES**

What objective has sub-recipient committed to meet?

Low/Mod \_\_\_\_\_ Slums/Blight \_\_\_\_\_ Urgency \_\_\_\_\_  
Area Benefit \_\_\_\_\_ Presumed Benefit \_\_\_\_\_ Direct Benefit \_\_\_\_\_

1. Y/N Has the sub-recipient met the objective stated in the contract? Explain:

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*If meeting the low/mod objective, answer the following questions. If not, skip to #6.*

2. Y/N Do the sub-recipient's files include documentation of program participants' and/or beneficiaries' income? If not, why:

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3. Y/N Did the sub-recipient use an appropriate and consistent method of verifying beneficiaries' income? Briefly describe method, and if no, explain problems: [Watch for appropriate income limits, annual income calculation, etc.]

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4. Y/N Were 51% or above of the households or persons served income eligible? If no, explain:

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5. Y/N Were the low/mod income beneficiaries charged any inappropriate fees? If yes, explain:

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6. Y/N Is the target area where actual beneficiaries were/are served consistent with the target area boundaries stated in the application? If no, explain:

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**LEVERAGE**

1. Y/N Has sub-recipient made the contributions of leverage, matching or funding from other sources as described in the application?

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<u>Leverage/Match/Funding Source</u>	<u>Committed Amount</u>	<u>Received to date</u>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>
Total:	\$ <hr/>	\$ <hr/>



Explain if there were any shortfalls and/or differences in sources from the contract:

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**OTHER INFORMATION REQUIRED**

1. **Y/N** Is there a statement from your independent auditor as to whether a Single Audit Supplement Financial Report is required (if one is not already being done?)

(If a Single Audit, Subpart F of the OMB Uniform Guidance, requirement is part of the annual audit, the financial statements must include a listing of all federal grants received, plus a statement of any findings, concerns, or corrective action plan.)

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2. **Y/N** What is the date of the Financial Statements submitted? \_\_\_\_\_  
**(Financial statements must not be more than thirteen months old.)**

All grantees must submit a copy of their most recently filed IRS Form 990 and NYS CHAR 500, and all required attachments.

Date of:    IRS Form 990:    \_\_\_\_\_    NYS CHAR 500:    \_\_\_\_\_

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3. **Y/N** Is there a statement from the CFO, CEO or independent auditor that the accounting system conforms to 2 CFR, Subtitle A, Chapter II Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.)

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4. **Y/N** Is there a completed Sub-recipient Monitoring Form for each program which was funded by the CDA for the previous program year?

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5. **Y/N** Is there a narrative summary of each program’s accomplishments for the previous fiscal year?

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6. **Y/N** Are there copies of ALL intake forms for clients in the program, indicating income, race/ethnicity, and head of household data? (This information will be kept confidential, but social security numbers and other highly sensitive information (even last names) not related to program eligibility may be removed.)

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7. **Y/N** Has the sub-recipient provided insurance certificates, showing coverages as required in the sub-recipient agreement(s) and naming the “Town of Islip Community Development Agency as additional insured?”

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