



VIHFA CDBG-DR SUBRECIPIENTS CHECKLIST

FROM CAPACITY ASSESSMENT TO NOTICE TO PROCEED

DO NOT BEGIN PROCUREMENT UNTIL NOTICE TO PROCEED IS ISSUED.

■ CAPACITY ASSESSMENT STAGE

The purpose of this stage is to initiate the capacity assessment process where the VIHFA Compliance and Monitoring team will review submitted policies and procedures. The Capacity assessment is performed annually.

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| <input type="checkbox"/> Accounting Policies and Procedures | <input type="checkbox"/> Grants Management Policies and Procedures |
| <input type="checkbox"/> Retention Policy | <input type="checkbox"/> Fraud, waste and abuse reporting |
| <input type="checkbox"/> System of internal controls | <input type="checkbox"/> Organizational Chart |
| <input type="checkbox"/> Procurement Policies and Procedures | <input type="checkbox"/> Copy of most recent A-133 Single Audit final report |
| <input type="checkbox"/> Source documentation policy (<i>i.e. cancelled checks, invoices, payroll, time and attendance, corporate credit card, and travel and expenses</i>) | <input type="checkbox"/> Copy of most recent Annual Audit Report |
| | <input type="checkbox"/> Copy of most recent Internal Audit Report |

A site visit will be conducted to further assess the capacity of prospective sub-recipients to gauge their ability to manage proposed projects using CDBG-DR funds. Special conditions may arise from this process to assist in the development of the Sub-recipient agreement.

■ SUBRECIPIENT'S AGREEMENT STAGE

1. Appendix A. General Conditions of the Contract
2. Appendix B. HUD Rider
3. Appendix C. Special Conditions

■ CDBG-DR Application Stage | Required for each submitted project.

Can be done simultaneously with Capacity Assessment.

This document will provide necessary information on the CDBG-DR program or project for the development of a Subrecipient Agreement between VIHFA and the Implementing Partner.

- CDBG-DR Application:** This form is used to determine if the project is eligible per HUD's guidelines to receive CDBG-DR funds. Subrecipients will have to work closely with the VIHFA staff to fill out this form to translate their project activity to the vernacular of HUD. A critical component of this form is the "Tie to the Disaster" section. Expect to do many drafts of the Tie to the Disaster to ensure compliance with HUD rules. The form will also provide a project detail overview and the detail budget.

■ ENVIRONMENTAL REVIEW STAGE | Required for each submitted project.

An environmental review is the process of reviewing a project and its potential environmental impacts to determine whether it meets federal, state, and local environmental standards. The level of Environmental review is determined from the project eligibility stage. Below are four levels of reviews of which one will be required.

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| <p>i. Full Environmental Assessment: For all projects that disturb the soil such as new construction and demolition. Environmental letters to all the cognizant agencies including but not limited to DPNR, Health, Public Works, WAPA, VIPD, ENERGY, Human Services, Waste Management, Etc.</p> | <p>iii. Categorically excluded not subject to Section 58.5: Items such as tenant based rental assistance, supportive services such as health care, day care, operating cost etc.</p> |
| <p>ii. Categorically Excluded subject to Section 58.5: Examples include rehabilitation and reconstruction projects. Environmental letter sent to DPNR.</p> | <p>iv. Exempt: Usually purchase of insurance, tools, engineering, technical assistance and training. Signed by the VIHFA not required to be sent to HUD.</p> |

A. HUD requires Environmental Review to be posted for Public Comment for 7 – 15 days after HUD's approval of Environmental Assessment. Published in local newspapers.

B. Request for Release of Funds.

■ PROJECT ADDENDUM STAGE

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| <ol style="list-style-type: none">1. Appendix D. Project Agreements2. Appendix E. Payment Requirements and Draw Request3. Appendix F. Monthly Performance Report | <ol style="list-style-type: none">4. Appendix G. Records Requirements and Records Retention5. Appendix H. Board Authorizations |
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■ NOTICE TO PROCEED | PROJECT START

Subrecipient can begin procurement.