# Appendix A: Overall Management Checklists

[Checklist A1: Guide for Review of Overall Management of CDBG Disaster Recovery Grants](#_Checklist_A1:_)

Checklist A2: Guide for Review of Financial Management and Audits

Checklist A3: Guide for Review of Cost Allowability

Checklist A4: Guide for Review of Procurement

Checklist A5: Guide for Review of Equipment Management and Equipment Disposition

## Checklist A1: Guide for Review of Overall Management of CDBG Disaster Recovery Grants

|  |  |
| --- | --- |
| Name of Monitored Entity: |  |
| Project ID: |  |
| Name of Project: |  |
| Name of Reviewer: |  |
| Date Completed: |  |

**NOTE:** Most questions that address requirements contain the citation for the source of the requirement (statute, regulation, *Federal Register* notice, or grant agreement). However, in some instances, a controlling document (i.e., grant agreement or *Federal Register* notice) is provided without a specific citation. This is because rules can vary significantly from appropriation to appropriation, causing the grant agreements and published Notices to vary accordingly. If deficiencies are identified in these instances, the Reviewer should ensure that program violation citations are appropriately noted. In addition, a statute or *Federal Register* Notice may only apply to certain grantees; carefully review the citation to determine its applicability. If a requirement is not met, the Reviewer must make a finding of noncompliance. All other questions may not address requirements but are included to assist the reviewer in understanding the Monitored Entity's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a "**finding**" (24 CFR 570.900(b)(5) and 24 CFR 570.901 for entitlement and state grantees under Public Laws 115-23 and 115-56 (see applicable Federal Register notice(s)) and 24 CFR 570.495 for state grantees).

**Instructions:** This Checklist should be used to monitor overall management of a CDBG disaster recovery (CDBG-DR) grant. It is divided into three sections: Overall Management; Financial Thresholds; and Capacity and Performance. Per the Federal Register notices issued by HUD, CDBG-DR state grantees are provided a waiver and alternative requirement that allows them to carry out activities directly or through a subrecipient.

|  |  |
| --- | --- |
| Programs *are* *directly administered* by a state when: | Programs are *not* directly administered by a state when: |
| * The state develops the program guidelines/rules; * A subrecipient applies directly to the state for funding to undertake activities. | * The state uses a method of distribution (MOD) to award funds to local governments; * The state gives flexibility to units of local government to design and implement their own programs; and * The state releases the funds, but local governments are responsible for environmental reviews. |

Some grantees may use a combination of the above: they may administer a portion of CDBG-DR funds directly and distribute another portion through a MOD. To monitor any CDBG-DR grant, obtain copies of the appropriate Federal Register notices.

**Questions:**

A. OVERALL MANAGEMENT

1.

|  |
| --- |
| List below the program(s) being monitored and the corresponding allocated amounts. |
| CDBG-DR Program(s) Amount ($) |
|  |

2.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Has the Monitored Entity developed policies and procedures specific to CDBG-DR (e.g., program design, management of program income)? | |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |  |  | |
| **Describe Basis for Conclusion:** | |
|  | |

3.

|  |  |
| --- | --- |
| In regard to ***timeliness***: | |
| 1. Has the Monitored Entity established a timeline for expending all grant funds? | |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |  |  | |
| 1. Does the Monitored Entity have adequate procedures to ensure programs and activities meet established end dates? | |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |  |  | |
| 1. Is the Monitored Entity current in submitting quarterly reports to the Grantee for the Disaster Recovery Grant Reporting (DRGR) system? | |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |  |  | |
| 1. As additional funds are allocated, or program goals change, is the Monitored Entity updating its expenditure and performance projections? | |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |  |  | |
| **Describe Basis for Conclusion:** | |
|  | |

4.

|  |  |
| --- | --- |
| In regard to ***monitoring***: | |
| a. Do the Monitored Entity’s policies and procedures address monitoring? | |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |  |  | |
| b. Is the Monitored Entity monitoring professional services contracts and contractors in accordance with its policies and procedures? | |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |  |  | |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| c. If applicable, have the Monitored Entity’s CDBG-DR funds been monitored by internal audit staff? An answer of “no” establishes a finding only if the Monitored Entity is not in compliance with its program requirements. If yes, for the funds audited, provide the following (attach additional pages as necessary):  **NOTE**: The DRGR system has a module that collects this information. | | | |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |  |  | |
| CDBG-DR Program(s) | Date(s) of Internal Audit | Action(s) taken by Monitored Entity in  Response to Internal Audit | |
|  |  |  | |
|  |  |  | |
|  |  |  | |
| **Describe Basis for Conclusion:** | | | |
|  | | | |

B. Financial Thresholds

5.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Is the Monitored Entity in compliance with the administrative cost limit established in their agreement (if applicable)? | |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |  |  | |
| **Describe Basis for Conclusion:** | |
|  | |

6.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Does the amount expended for administration activities appear reasonable in comparison to the amount expended for the grant overall considering any cap on administrative expenditures? | |  |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | | | |  |  | |  |  |  | | |
| Administrative Amount Expended Total  CDBG-DR Program(s) Cap per Agreement ($) for Administration ($) Expenditures ($) | |
|  | |
| **Describe Basis for Conclusion:** | |
|  | |

7.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Is the Monitored Entity projected to meet any expenditure deadline(s)? | |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |  |  | |
| Expenditure Deadline(s) Amount ($) Deadline Expenditures (mm/dd/yy) to date ($) | |
|  | |
|  | |
| **Describe Basis for Conclusion:** | |
|  | |

C. CAPACITY and PERFORMANCE

8.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Has the Monitored Entity provided a current organizational chart, or other document identifying CDBG-DR roles and responsibilities? | |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | | |  |  | |  |  |  | | |
| **Describe Basis for Conclusion:** | |
|  | |

9.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Has the Monitored Entity lost critical staff (e.g., program manager, environmental compliance officer) in the last fiscal year? | |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |  |  | |  |  |  | |
| **Describe Basis for Conclusion:** | |
|  | |

10.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Is the Monitored Entity taking action to resolve any open findings or recommendations from a Grantee, HUD monitoring or Office of Inspector General (OIG) audit? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

11.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Did the Monitored Entity receive any complaints in the current fiscal year? If “yes,” please identify the nature of complaints below. | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| Nature of Complaint Approximate Number  Complaints Against the Entity (e.g., topic, program, activity) of Complaints | |
|  | |

12.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If the Monitored Entity received a complaint, did they respond in a timely manner? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

## Checklist A2: Guide for Review of Financial Management and Audits

|  |  |
| --- | --- |
| Name of Monitored Entity: |  |
| Project ID: |  |
| Name of Project: |  |
| Name of Reviewer: |  |
| Date Completed: |  |

**NOTE:** All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, the Reviewer must make a finding of noncompliance. All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the Reviewer in understanding the Monitored Entity’s program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a **"finding.**"

**Instructions:** This Checklist is designed to monitor a non-Federal entity’s compliance with requirements in Subparts D and F of 2 CFR part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, except for Cost Allowability, Procurement, and Equipment, which are covered in other checklists.

**Checklist Structure:** The Checklist is divided into 11 sections: Financial Management; Internal Controls; Bonds; Payment and Financial Reporting; Improper Payments; Program Income; Revision of Budget and Program Plans; Period of Performance; Record Retention and Access; and Audit Requirements.

**Questions:**

A. FINANCIAL MANAGEMENT

1.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Do the non-Federal entity's accounting records identify the programs and awards received and expended by specifying, as applicable, the Catalog of Federal Domestic Assistance (CFDA) title and number, HUD award identification number and year, HUD’s agency name (as the awarding agency), and name of the pass-through entity, if any? (This requirement will most likely be addressed in the chart of accounts.) | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

2.

|  |  |
| --- | --- |
| The non-Federal entity’s accounting records must identify adequately the source and application of funds for HUD-funded activities. The non-Federal entity can facilitate compliance with this requirement if it accounts for the program in a separate accounting fund (e.g., Special Revenue Fund). | |
| 1. Do the non-Federal entity’s accounting records contain information on grant awards, authorizations, obligations, unobligated balances, assets, expenditures, program income, and interest? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |
| 1. Does the non-Federal entity maintain adequate source documentation? To determine compliance, select a sample of accounting entries and determine whether they are supported by invoices, contracts, or purchase orders, etc. (Describe sample in response below.) | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
| 1. Does the non-Federal entity’s financial management system provide for comparison of expenditures with budget amounts for each award?   **NOTE**: Governmental entities will usually demonstrate compliance with this requirement by making entries in its accounting records of the amounts budgeted/allocated for activities to be undertaken with the assistance provided under the funding award which in turn facilitates preparation of financial statements that provide for such comparison.) | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
| 1. Does the non-Federal entity enter in its accounting records an encumbrance/obligation when contracts are executed, purchase orders issued, etc.?   **NOTE**: Non-Federal entities may use the term “encumbrance” in lieu of “obligation” in its accounting records. | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
| 1. Does the non-Federal entity identify expenditures in its accounting records according to eligible activity classifications specified in the statute, regulations, or grant agreement that clearly identify the use of program funds for eligible activities?  [2 CFR 200.302(b)(3)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
| 1. Does the information on obligations, expenditures, and program income submitted to HUD in the Quarterly report(s), reconcile with the non-Federal entity’s accounting records for the time period reviewed?   **NOTE**: If the non-Federal entity maintains its records on other than an accrual basis, it must be able to support accrual data for its reports on the basis of the documentation on hand. | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

3.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Does the non-Federal entity maintain adequate control over all funds, property, and other assets to ensure they are used solely for authorized purposes? See questions below that are related to internal controls. | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

B. INTERNAL CONTROLS

The non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States (known as the "Green Book") or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The definitions of internal control in these documents are intentionally broad. The evaluation of the effectiveness of the non-Federal entity's internal control system likewise must cover a broad range of considerations. Many of the considerations addressed in the review are covered by questions in other monitoring Checklists (e.g., checklists on procurement, cost principles, and specific programs). Further, the audit requirements in Subpart F of part 200 include procedures to evaluate the auditee's internal control system. Therefore, the questions below are limited to those areas not specifically addressed elsewhere. However, if other monitoring reviews disclose frequent violations of applicable requirements, or an audit is not required to be performed under Subpart F, the Reviewer should take these considerations into account, together with the questions below, in making an overall assessment of the adequacy of the Monitored Entity’s internal controls.

4.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| a. Has the non-Federal entity performed a self-assessment of its internal control system?  [2 CFR 200.303(a)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| b. Does the non-Federal entity take reasonable measures to safeguard protected personally identifiable information (PII) and other information that is sensitive, consistent with applicable Federal, state, local, and tribal laws regarding privacy and obligations of confidentiality? Check to see whether the non-Federal entity has a written policy on protecting PII and other information. | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| c. Does the non-Federal entity have an organization chart that sets forth the actual lines of responsibility for funding awards? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| d. Are duties and responsibilities segregated (to the extent practicable) so that no one individual has complete authority over a financial transaction? For example, do the non-Federal entity's procedures preclude one person from issuing purchase orders, receiving merchandise, and approving payment vouchers? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

C. BONDS

5.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| a. Where a provision exists on bonding within an award agreement, has the non-Federal entity obtained fidelity bond coverage for responsible officials? (If no provision on bonding has been included, mark “N/A” and note below.) | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
| b. If a bond has been obtained, was the bond obtained from a company holding a certificate of authority as an acceptable surety, as prescribed in 31 CFR Part 223, *Surety Companies Doing Business with the United States*?  [2 CFR 200.304(c)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

D. PAYMENT AND FINANCIAL REPORTING

6.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If the Monitored Entity transfers grant funds under an award that is subject to subpart B, does the Monitored Entity have procedures to minimize the time elapsing between the receipt of funds from the Grantee and the transfer of funds to the contractor, etc.?  [2 CFR 200.305(a)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

7.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If the Monitored Entity held cash advances in excess of three business days has the Monitored Entity provided sufficient justification?  **NOTE**: Holding cash advances for a period longer than three business days is not a violation *per se*; it is a preliminary screening measure to determine whether further explanation is required. | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

8.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| a. Does the non-Federal entity disburse funds available from program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash payments?  [2 CFR 200.305(b)(5)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | | |
| **Describe Basis for Conclusion:** | | |
|  | | |
| b. Are advance payments of funds deposited and maintained in insured accounts whenever possible?  [2 CFR 200.305(b)(7)(ii)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | | |
| **Describe Basis for Conclusion:** | | |
| c. If the non-Federal entity receives grant advances, does it maintain the advance payments in an interest-bearing account or meet one of the following exceptions?   1. The non-Federal entity receives less than $120,000 in Federal awards per year. 2. The best reasonably available interest-bearing account would not be expected to earn interest in excess of $500 per year on Federal cash balances. 3. The depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non-Federal cash resources. | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | | |
| **Describe Basis for Conclusion:** | | | |
|  | | | |

E. IMPROPER PAYMENTS

9.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Does a review of program expenditures show that no improper payments were made? (Results from other Checklists can be included here.)  **NOTE**: Improper payments means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements and includes payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents the Reviewer from discerning whether a payment was proper. | |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | |  | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |  | |  |  |  | |
| **Describe Basis for Conclusion:** | |
|  | |
| b. If improper payments were made, were appropriate corrective action(s) taken?  [2 CFR 200.302(b)(4) and 2 CFR 200.303(d)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

F. PROGRAM INCOME

10.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If program income is retained by the subrecipient, does the non-Federal entity have a system for ensuring that such income is reported in a timely and accurate manner?  [2 CFR 200.302(b)(2)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

11.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Does the Monitored Entity comply with the requirements governing the reporting on receipt and use of program income in DRGR or SF-425, as applicable? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

G. REVISION OF BUDGET AND PROGRAM PLANS.

(Complete only if the award is required to comply with the requirements at 2 CFR 200.308.)

12.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| a. Have any changes to the approved project’s budget, scope, or objectives been identified? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
| b. If the Monitored Entity made one or more of the following changes with respect to a non-construction award, did the Monitored Entity obtain prior approval for those changes?   1. Change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval). 2. Change in a key person specified in the application or the Federal award. 3. The disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator. 4. The inclusion, unless waived, of costs that require prior approval in accordance with Subpart E—Cost Principles of this part, or 45 CFR part 75 Appendix IX, *Principles for Determining Costs Applicable to Research and Development under Awards and Contracts with Hospitals*, or 48 CFR part 31, *Contract Cost Principles and Procedures*, as applicable. 5. The transfer of funds budgeted for participant support costs as defined in §200.75, *Participant support costs*, to other categories of expense. 6. Unless described in the application and funded in the approved Federal awards, the sub-awarding, transferring or contracting out of any work under a Federal award, including fixed amount subawards a**s** described in §200.332, *Fixed amount subawards* (this provision does not apply to the acquisition of supplies, material, equipment or general support services). 7. Changes in the approved cost sharing or matching provided by the non-Federal entity. 8. The need arises for additional Federal funds to complete the project.   [2 CFR 200.308(c)(1)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

H. PERIOD OF PERFORMANCE

13.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Has the Monitored Entity charged only allowable costs (except as described in §200.461, *Publication and printing costs*) incurred during the period of performance and authorized pre-award costs?  [2 CFR 200.309] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

I. record retention and access

14.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **For programs covered by the record retention requirements of 2 CFR part 200,** does the Monitored entity comply with the record retention and access requirements of §§200.333, 200.336, and the program-specific record retention requirements? [2 CFR 200.333 and 2 CFR 200.336] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

J. Audit Requirements

**Instructions:** A sub-recipient that expends $750,000 or more in Federal awards during the sub-recipient’s fiscal year must have a single or program-specific audit conducted for that year in accordance with the provisions of Subpart F, *Audit Requirements*. Recipients that provide Federal awards to subrecipients are referred to as “pass-through entities.” Pass-through entities are required by 2 CFR 200.331 to ensure compliance with Subpart F. A sub-recipient that expends less than $750,000 in Federal awards during the entity's fiscal year is exempt from audit requirements for that year, except as noted in 2 CFR 200.503. This section of questions is designed to assist the Reviewer in determining whether the Monitored Entity is in compliance with the required elements of an audits management system. **This section only applies to sub-recipients.**

15.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Does the Monitored Entity meet the annual expenditure threshold ($750,000) for having a single or program-specific audit conducted? If “no,” skip questions 22 through 27. | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

16.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| a. Did the auditee procure or arrange for the audit services in accordance with the procurement standards at 2 CFR 200.317 – 200.326? [2 CFR 200.508(a) and 2 CFR 200.509] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | | |
| **Describe Basis for Conclusion:** | | |
|  | | |
| b. Did the request for proposal for audit services clearly state the objectives and scope of the audit and request a copy of the audit organization's peer review report which the auditor is required to provide under Generally Accepted Government Auditing Standards (GAGAS)?  [2 CFR 200.509(a)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | | |
| **Describe Basis for Conclusion:** | | |
|  | | |
| c. Did the factors to be considered in evaluating the proposal for audit services include the responsiveness to the request for proposal, relevant experience, availability of staff with professional qualifications and technical abilities, the results of peer and external quality control reviews, and price? [2 CFR 200.509(a)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | | |
| **Describe Basis for Conclusion:** | | |
|  | | |
| d. Did the auditee make positive efforts to utilize small businesses, minority-owned firms, and women's business enterprises, in procuring audit services as stated in §200.321, *Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms*?  [2 CFR 200.509(a)] | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | | |
| **Describe Basis for Conclusion:** | | | |
|  | | | |

17.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Did the auditee prepare financial statements, including the schedule of expenditures of Federal awards, required by 2 CFR 200.510?  [2 CFR 200.508(b)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

18.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Did the auditee promptly follow up and take corrective action on audit findings, including preparation of a summary schedule of prior audit findings and a corrective action plan in accordance with 2 CFR 200.511(b) and 2 CFR 200.511(c), respectively?  [2 CFR 200.303(d) and 2 CFR 200.508(c)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

19.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Did the auditee electronically submit to the Federal Audit Clearinghouse the data collection form described in 2 CFR 200.512(b) and reporting package described in 2 CFR 200.512(c) within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period?  [2 CFR 200.512(a) and (d)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

20.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Has the Monitored Entity ensured that the award is charged no more than a reasonably proportionate share of the costs of audits required by, and performed in accordance with, Subpart F?  [2 CFR 200.425(a)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

21.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| When a Monitored Entity expends Federal awards under only one Federal program and the Federal program's statutes, regulations, or the terms and conditions of the Federal award do not require a financial statement audit of the auditee, the auditee may elect to have a program-specific audit conducted in accordance with §200.507, *Program-specific audits*. When a program-specific audit is elected, the auditee and auditor must have basically the same responsibilities for the Federal program as they would have for an audit of a major program in a single audit. Answer the following questions if the Monitored Entity has elected to have a program-specific audit performed. | | | | |
| a. Has the auditee prepared the financial statement(s) for the program that includes, at a minimum, a schedule of expenditures of Federal awards for the program and notes that describe the significant accounting policies used in preparing the schedule, a summary schedule of prior audit findings consistent with the requirements of 2 CFR 200.511(b), and a corrective action plan consistent with the requirements of 2 CFR 200.511(c)?  [2 CFR 200.507(b)] | | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | | |
| b. Did the auditee electronically submit to the Federal Audit Clearinghouse and the Grantee the reporting package required by 2 CFR 200.507(c)(3) and the data collection form prepared in accordance with 2 CFR 200.512(b) within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period?  [2 CFR 200.507(c)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | | |
| **Describe Basis for Conclusion:** | | | |

## Checklist A3: Guide for Review of Cost Allowability

|  |  |
| --- | --- |
| Name of Monitored Entity: |  |
| Project ID: |  |
| Name of Project: |  |
| Name of Reviewer: |  |
| Date Completed: |  |

**NOTE:** All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, the Reviewer must make a finding of noncompliance. All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the Reviewer in understanding the Monitored Entity’s program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a **"finding.**"

**Instructions:** The Checklist is designed to monitor cost allowability requirements for programs which are subject to 2 CFR part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. The Reviewer should use this Checklist to verify that costs charged to the awards comply with the Subpart E, Cost Principles, of 2 CFR part 200. The Checklist focuses on basic principles, including adequacy of documentation for costs charged to awards. It does not address in detail the procedures for developing indirect cost allocation plans and indirect cost proposals. If time permits, an additional sample, beyond the selected items of cost identified in Question 1, should be reviewed to assess compliance with the cost allowability requirements (see Question 5).

**Checklist Structure:** This Checklist is divided into 5 sections: Sample; Basic Considerations; Direct Costs; Indirect Costs; and De Minimis Rate.

**Questions:**

A. SAMPLE.

The Reviewer should select an appropriate sample of items of cost from the following table for review. Answers to questions 2 – 4 will be based on these costs.

1.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Cost Item Category** | **detailed Description of sampled Cost Item** | **AMOUNT** | **DATE RECORDED[[1]](#footnote-1)** |
| 1. | Compensation – personal services  [2 CFR 200.430] |  |  |  |
| 2. | Contributions and donations  [2 CFR 200.434] |  |  |  |
| 3. | Defense and prosecution  [2 CFR 200.435] |  |  |  |
| 4. | Depreciation  [2 CFR 200.436] |  |  |  |
| 5. | Equipment and other capital expenditures  [2 CFR 200.439] |  |  |  |
| 6. | General costs of government  [2 CFR 200.444 |  |  |  |
| 7. | Professional service costs  [2 CFR 200.459] |  |  |  |
| 8. | Taxes  [2 CFR 200.470] |  |  |  |
| 9. | Termination costs  [2 CFR 200.471] |  |  |  |
| 10. | Travel costs  [2 CFR 200.474] |  |  |  |

B. BASIC CONSIDERATIONS.

2.

|  |  |
| --- | --- |
| Subpart E contains guidance for determining the allowability of *Selected Items of Cost*, beginning at 2 CFR 200.420.  **Note** that the general factors in question 3 below must still be applied in determining allowability. Further, in the case of a discrepancy between the provisions of, or an exception to, a specific Federal award and the selected items of cost, the Federal award governs. | |
| Is each of the selected items of cost in the Sample in Section A above consistent with the guidance under the applicable regulatory provision? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

3.

|  |  |
| --- | --- |
| This question entails an evaluation of the sample cost items for compliance with the general factors affecting allowability at 2 CFR 200.403. (The general factors do not have to be applied if the cost item is determined unallowable based on the review under question 2.) When compliance with any of the criteria is not ascertainable due to time constraints or for other reasons (e.g., lack of expertise to determine Generally Accepted Accounting Principles (GAAP) compliance), the answers to the questions should be based on the best information available. | |
| Based on the review of the selected items, are the costs: | |
| a. Necessary and reasonable for the performance of the award and allocable to that award?  [2 CFR 200.403(a); 2 CFR 200.404; and 2 CFR 200.405] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| b. Consistent in terms of type and amount with the limitations and exclusions set forth in the cost principles, the terms and conditions of the Federal award, and the laws and regulations that apply to the award?  [2 CFR 200.403(b)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| c. Consistent with policies and procedures that apply uniformly to both Federally-financed and other activities of the non-Federal entity?  [2 CFR 200.403(c)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| d. Accorded consistent treatment (i.e., a cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost)?  [2 CFR 200.403(d)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| e. Determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in 2 CFR part 200?  [2 CFR 200.403(e)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| f. Excluded from the costs and sources of match/cost-sharing for other Federally-financed programs, except as expressly authorized by Federal statute?  [2 CFR 200.403(f)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| g. Adequately documented?  [2 CFR 200.403(g)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

4.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Are all applicable credits (e.g., purchase discounts) credited to the Federal award either as cost reductions or cash refunds, as provided under 2 CFR 200.406?  [2 CFR 200.402 and 2 CFR 200.406] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

5. ADDITIONAL SAMPLE.

If appropriate and time permitting, select an additional sample of costs for review, using 2 CFR 200.403 and 2 CFR 200.421 – 200.475 as a basis for reviewing and assessing compliance with cost allowability requirements.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **List Cost Item Category & Citation from 2 CFR part 200** | **detailed Description of sampled Cost Item** | **AMOUNT** | **DATE RECORDED[[2]](#footnote-2)** |
| 1. |  |  |  |  |
| 2. |  |  |  |  |
| 3. |  |  |  |  |
| 4. |  |  |  |  |
| 5. |  |  |  |  |

6.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Is each of the selected items of cost in the Additional Sample in question 5 above consistent with the guidance under the applicable regulatory provision?  [Citation to be selected from Cost Item Category in 2 CFR part 200 above] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

C. DIRECT COSTS.

Direct costs are those costs that can be identified specifically with a particular final cost objective, such as an award, or other internally- or externally-funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect (F&A) costs. Typical costs charged directly to a grant award are the compensation of employees who work on that award, their related fringe benefit costs, the costs of materials and other items of expense incurred for the Federal award.

7.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| a. Can the non-Federal entity support the amount of an employee’s salary or wages charged directly to a grant award if that employee works on:   * the grant award and another Federal award; * the grant award and a non-Federal award; * the grant award and an indirect cost activity; or * the grant award and an unallowable activity?   (Describe the methodology for distributing the cost among the benefiting cost objectives below.)  [2 CFR 200.430(i)(1)(i)-(vii)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| b. Has the non-Federal entity received awarding agency approval for those items of cost requiring prior approval and charged directly to a grant award?  [2 CFR 200.407] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

D. INDIRECT COSTS.

Indirect costs are those that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned directly to Federal awards and other activities as appropriate, indirect costs are those remaining to be allocated to benefitted cost objectives. For governmental units, indirect costs include: (a) the indirect costs originating in each department or agency of the governmental unit carrying out Federal awards; and (b) the costs of central governmental services distributed through the central service cost allocation plan (as described in Appendix V to Part 200—State/Local Government and Indian Tribe-Wide Central Service Cost Allocation Plans) and not otherwise treated as direct costs. Indirect costs are recovered by applying an *indirect cost rate* to a direct cost *base*. The rate used is usually specified in an *indirect cost proposal or cost allocation plan*. The indirect cost proposal comprises the documentation prepared by an organization to substantiate its claim for the reimbursement of indirect costs. This proposal provides the basis for the review and negotiation (when required) leading to the establishment of an organization's indirect cost rate.

8.

|  |  |
| --- | --- |
| If indirect costs are charged to the grant program and the non-Federal entity is not using the de minimis rate of 10%: | |
| a. Are the indirect costs charged by a nonprofit organization based on a negotiated rate (i.e., the rate approved by its cognizant agency pursuant to the submission of an indirect cost proposal)?  [Appendix IV to Part 200, Section C.2] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| b. Are the indirect costs charged by a governmental unit supported by an indirect cost proposal on file?  **NOTE:** A governmental unit may not be required to submit an indirect cost proposal to its cognizant agency.  [Appendix VII to Part 200, Section D.1] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| c. Are the indirect costs charged by a governmental unit (State, local, or Indian tribal government) supported by a negotiated rate when such rate is required (i.e., indirect cost proposal required to be submitted to cognizant agency)?  [Appendix VII to Part 200, Section D.1] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| d. Are the charges for indirect costs consistent with the terms of the indirect cost proposal (e.g., was the correct rate used)?  [2 CFR 200.403(b); 2 CFR 200.403(g); and 2 CFR 200.405(b] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

E. DE MINIMIS RATE.

Non-Federal entities that have never received a negotiated indirect cost rate, except for those entities described in Appendix VII to Part 200—States and Local Government and Indian Tribe Indirect Cost Proposals, paragraph D.1.b., may elect to charge a de minimis rate of 10% of modified total direct costs (MTDC). If the non-Federal entity meets the criteria for the de minimis rate, it may be used in lieu of a rate specified in an indirect cost proposal.

9.

|  |  |
| --- | --- |
| If the non-Federal entity elects to recover indirect costs by charging a de minimis rate: | |
| a. Has the Reviewer found no evidence that the non-Federal entity received a negotiated rate in the past?  [2 CFR 200.414(f)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| b. Is the non-Federal entity a governmental department or agency unit that receives $35 million or less in direct Federal funding and, therefore, is not required to submit its indirect cost rate proposal to its cognizant agency for indirect costs? [2 CFR 200.414(f); Appendix VII to Part 200, D.1.b] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| c. Does the non-Federal entity use the de minimis rate when recovering indirect costs under other Federal awards? [2 CFR 200.414(f)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| d. Is the non-Federal entity able to document the calculation of the MTDC base (see the definition of modified total direct costs at 2 CFR 200.68)?  [2 CFR 200.414(f); 2 CFR 200.403(g)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

## Checklist A4: Guide for Review of Procurement

|  |  |
| --- | --- |
| Name of Monitored Entity: |  |
| Project ID: |  |
| Name of Project: |  |
| Name of Reviewer: |  |
| Date Completed: |  |

**Instructions**: This Checklist is designed to monitor procurement requirements for any program subject to the procurement requirements found in §§200.317-200.326 of 2 CFR part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. It is designed to assist the Reviewer in evaluating a representative sample of procurement transactions undertaken by the non-Federal entity, either a Monitored Entity or subrecipient (e.g., based on size of last grant, amount of time allocated for monitoring, results of pre-monitoring preparation). The Reviewer should evaluate the documentation related to the selected transactions and use this information to verify non-Federal entity responses to the questions in this Checklist. If the non-Federal entity’s accounting system includes information on contracts, purchase orders, etc., related to the grant program, it can be a convenient starting point for selecting a sample of procurement transactions to review.

When monitoring the procurement policies and transactions of non-Federal entities other than states, the monitor should complete all questions except question 4.

**Three-Year Grace Period for Implementation of Procurement Requirements:** Reviewers need to note that OMB has provided a three-year grace period in implementing the procurement standards in 2 CFR §§200.317 - 200.326 (see Section 5 of Notice 16-04). If the non-Federal entity has chosen to follow the procurement standards in 24 CFR parts 84 or 85 (2013 edition), as applicable, for the three additional fiscal years before implementing the procurement standards in part 200, the non-Federal entity must document this decision in its internal procurement policies. (See question 1.)

**Checklist Structure:** This Checklist is divided into 12sections: Procurement Implementation Exemption; Sample; General Provisions/Procedures; Micro-Purchases; Small Purchases; Sealed Bids; Competitive Proposals; Noncompetitive Proposals; Contracting with Small and Minority Firms, Women’s Business Enterprises and Labor Surplus Area Firms; Bonding Requirements; Contract Cost and Price; and Contract Provisions.

**Questions:**

A. PROCUREMENT IMPLEMENTATION EXEMPTION

1.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| a. Has the non-Federal entity chosen to continue to comply with the procurement standards in previous OMB guidance (superseded as described in §200.104) for one to three additional fiscal years after the effective date of the Uniform Requirements, 12/26/2014? (If the answer is yes, answer only “b” below and stop.) | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |
| b. If yes, has the non-Federal entity documented its decision in its internal procurement policies?  [2 CFR 200.110(a))] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

B. SAMPLE

2.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Use the following table to list the selected sample of procurement transactions. (Add more rows if needed.) | | | | |
| **Contractor** | **Amount Budgeted** | **Amount Obligated** | **Amount Expended** | **Procurement Method\*** |
| 1. |  |  |  |  |
| 2. |  |  |  |  |
| 3. |  |  |  |  |
| 4. |  |  |  |  |
| 5. |  |  |  |  |
| 6. |  |  |  |  |
| 7. |  |  |  |  |
| 8. |  |  |  |  |
| 9. |  |  |  |  |
| 10. |  |  |  |  |

\* Method of Procurement (2 CFR 200.320): (a) micro-purchases, (b) small purchases, (c) sealed bids, (d) competitive proposals, and (f) noncompetitive proposals.

C. GENERAL PROVISIONS/PROCEDURES

3.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Does the non-Federal entity have its own documented procurement procedures, which reflect State, local, and tribal laws and regulations (as applicable), and conform to the requirements of 2 CFR part 200?  [2 CFR 200.318(a) and 2 CFR 200.319(c] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

4.

|  |  |
| --- | --- |
| If the Monitored Entity is a State, does it: | |
| 1. Follow the same policies and procedures that it uses for procurements from non-Federal funds?   [2 CFR 200.317] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| 1. Ensure that every purchase order or contract includes any clauses required by §200.326, *Contract provisions*?   [2 CFR 200.326] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

5.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Can the non-Federal entity demonstrate that it maintains oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders?  [2 CFR 200.318(b)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

6.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Does the non-Federal entity have written standards of conduct covering conflicts of interest and governing the actions of its employees, officers, or agents engaged in the selection, award and administration of contracts supported by grant funds?  [2 CFR 200.318(c)(1)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

7.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, does the non-Federal entity maintain written standards of conduct covering organizational conflicts of interest?  [2 CFR 200.318(c)(2)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

8.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Are the non-Federal entity’s procedures designed to avoid acquisition of unnecessary or duplicative items, e.g., consolidating or breaking out procurements to obtain a more economical purchase, analyzing lease vs. purchase alternatives?  [2 CFR 200.318(d)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

9.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| a. Do the records for each sample transaction show that the non-Federal entity took adequate steps to ensure the award was made to a contractor that was responsible and able to perform successfully under the terms and conditions of the procurement, including considering such matters as the contractor’s integrity, compliance with public policy, record of past performance, and financial and technical resources? [2 CFR 200.318(h)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| b. Do the records for each sample transaction show that the non-Federal entity took the required steps to determine that the contractor was not debarred, suspended, or otherwise excluded from, or ineligible for, participation in Federal assistance programs or activities? [2 CFR 200.213; 2 CFR 2424.300] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

10.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If the non-Federal entity uses prequalified lists, are such lists current, do they include an adequate number of qualified sources to ensure maximum open and free competition, AND are the lists used in a way that allows non-listed bidders to compete during the solicitation period?  [2 CFR 200.319(d)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

11.

|  |  |
| --- | --- |
| For the procurement transactions selected for review, is there documentation sufficient to detail the procurement history, including, but not limited to: | |
| a. The rationale for the method of procurement?  [2 CFR 200.318(i)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| b. The selection of contract type?  [2 CFR 200.318(i)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| c. Contractor selection or rejection?  [2 CFR 200.318(i)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| d. The basis for the cost or price of the contract?  [2 CFR 200.318(i)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

12.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| For the sample reviewed, did the documentation show that:   * Purchase orders and contracts were signed by an authorized program official? * Items delivered and paid for were consistent with the items contained in the corresponding purchase order and/or contract? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

13.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Does the non-Federal entity conduct procurement transactions in a manner providing full and open competition?  **NOTE**: In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include, but are not limited to:  (1) Placing unreasonable requirements on firms in order for them to qualify to do business;  (2) Requiring unnecessary experience and excessive bonding;  (3) Noncompetitive pricing practices between firms or between affiliated companies;  (4) Noncompetitive contracts to consultants that are on retainer contracts;  (5) Organizational conflicts of interest;  (6) Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and  (7) Any arbitrary action in the procurement process.  [2 CFR 200.319(a)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

14.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| For procurement of architectural and engineering professional services when geographic location is applied as a selection factor, does its application leave an appropriate number of qualified firms (given the nature and size of the project) to compete for the contract?  [2 CFR 200.319(b)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

15.

|  |  |
| --- | --- |
| As provided at 2 CFR 200.322, a non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines. | |
| If the non-Federal entity is a state agency or an agency of a political subdivision of a state, do the non-Federal entity’s procurement procedures include a process for ensuring compliance with the requirements of this provision on recovered materials?  [2 CFR 200.322] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

D. MICRO-PURCHASES.

Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold. Micro-purchases may be awarded without soliciting quotations if the non-Federal entity considers the price to be reasonable. [See 2 CFR 200.320(a); 2 CFR 200.67, *Micro-purchase*.]

16.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| For each sample transaction that followed the micro-purchase procurement method, is the micro-purchase within the threshold (currently $3,500 or in the case of acquisitions for construction subject to the Davis-Bacon Act, $2,000) established at 48 CFR Subpart 2.1?  [2 CFR 200.67 and 2 CFR 200.320(a)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

E. SMALL PURCHASES.

Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold (currently, $150,000, but periodically adjusted for inflation). If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources. [See 2 CFR 200.320(b); and 2 CFR 200.88, *Simplified acquisition threshold*.]

17.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| For each sample transaction that followed the small purchase procurement method, can the non-Federal entity document that it obtained price or rate quotations from an adequate number of qualified sources and the purchase did not exceed the Simplified Acquisition Threshold? (Describe types of purchases and price or rate quotes received.)  [2 CFR 200.320(b)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

F. SEALED BIDS.

(Sometimes referred to as “formal advertising.”) Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming to all of the material terms and conditions of the invitation for bids, is the lowest in price. In order for sealed bidding to be feasible, the following conditions should be met: (1) A complete, adequate, and realistic specification or purchase description is available; (2) Two or more responsible bidders are willing and able to compete effectively for the business; (3) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price. [See 2 CFR 200.320(c)(1).]

18.

|  |  |
| --- | --- |
| For each sample transaction that followed the sealed bids procurement method: | |
| 1. Were bids solicited from an adequate number of known suppliers, providing them sufficient response time before the date set for opening the bids and, if the non-Federal entity is a local or tribal government, was the Invitation for Bids (IFB) publicly advertised? [2 CFR 200.320(c)(2)(i)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |
| b. Does the IFB, including specifications and pertinent attachments, clearly define the items or services needed in order for the bidders to properly respond to the IFB? [2 CFR 200.320(c)(2)(ii)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |
| c. Were all bids opened at the time and place stated in the IFB and, for local and tribal governments, were the bids opened publicly? [2 CFR 200.320(c)(2)(iii)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |
| d. Was a firm, fixed-price contract awarded to the lowest responsive and responsible bidder, considering factors such as discounts, transportation cost, and life cycle costs? [2 CFR 200.320(c)(2)(iv)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

G. COMPETITIVE PROPOSALS.

This procurement method is generally used when conditions are not appropriate for the use of sealed bids. Under this method, more than one source submits and either a fixed price or cost-reimbursement type contract is awarded. [See 2 CFR 200.320(d).]

19.

|  |  |
| --- | --- |
| For each sample transaction that followed the competitive proposals procurement method: | |
| a. Did the non-Federal entity identify all evaluation factors and their relevant importance in the Request for Proposals (RFP), publicize the RFP and, to the maximum extent practicable, consider all responses to the RFP? [2 CFR 200.320(d)(1)] | |  |  |  |  | | --- | --- | --- | --- | |  |  | |  | | **Yes** | **No** | **N/A** | | |
| b. Were proposals solicited from an adequate number of qualified sources? [2 CFR 200.320(d)(2)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| c. Did the non-Federal entity have a written method for conducting technical evaluations of the proposals received and for selecting recipients? [2 CFR 200.320(d)(3)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| d. Was the contract awarded to the responsible firm whose proposal was most advantageous to the program, with price and other factors considered? [CFR 200.320(d)(4)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| e. If price was not used as a selection factor, did the procurement: (1) consist of a qualification-based procurement of architectural/engineering professional services, (2) focus on evaluation of competitors’ qualifications and selection of the most qualified competitor, and (3) include negotiation of fair and reasonable compensation? [2 CFR 200.320(d)(5] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

H. NONCOMPETITIVE PROPOSALS.

Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source. [See 2 CFR 200.320(f).]

20.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| For each sample transaction that consisted of solicitation of a proposal from only one source, can the non-Federal entity show that one or more of the following circumstances apply:   * the item was only available from a single source, * a public exigency or emergency for the requirement did not permit a delay resulting from competitive solicitation, * after solicitation of a number of sources, competition was determined inadequate, or * HUD or the Monitored Entity expressly authorized noncompetitive proposals in response to a written request from the non-Federal entity?   [2 CFR 200.320(f))] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

I. CONTRACTING WITH SMALL AND MINORITY FIRMS, WOMEN’S BUSINESS ENTERPRISES AND LABOR SURPLUS AREA FIRMS. [See 2 CFR 200.321.]

21.

|  |  |
| --- | --- |
| Does the non-Federal entity take all necessary affirmative steps to assure that minority businesses, women’s business enterprises, and labor surplus area firms are used when possible, including: | |
| 1. Placing qualified small and minority businesses and women’s business enterprises on solicitation lists? [2 CFR 200.321(a); 2 CFR 200.321(b)(1)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| b. Assuring that such businesses are solicited whenever they are potential sources? [2 CFR 200.321(a); 2 CFR 200.321(b)(2)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| c. Dividing procurement requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such businesses? [2 CFR 200.321(a); 2 CFR 200.321(b)(3)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| d. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises? [2 CFR 200.321(a); 2 CFR 200.321(b)(4)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| e. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce? [2 CFR 200.321(a); 2 CFR 200.321(b)(5)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| f. Requiring prime contractors, when subcontracts are let, to take the affirmative steps listed in 2 CFR 200.321(b)(1) through (5) to select small, minority-owned and women-owned businesses in grant-funded contracts? [2 CFR 200.321(a); 2 CFR 200.321(b)(6)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

J. CONTRACT COST AND PRICE. [See 2 CFR 200.323.]

22.

|  |  |
| --- | --- |
| For the sample transactions reviewed, is there documentation showing that: | |
| a. An independent cost or price analysis was performed in connection with each procurement action, including each contract modification, where the cumulative amount of the original contract and contract modifications exceeded the Simplified Acquisition Threshold?  [2 CFR 200.323(a)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| b. Profit was negotiated as a separate element of price for each contract in which there is no price competition and in all cases where a cost analysis is performed?  [2 CFR 200.323(b)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| c. The non-Federal entity agreed to pay costs or prices based on estimated costs only to the extent the costs incurred or cost estimates included in negotiated prices would have been allowable for the non-Federal entity under the cost principles in Subpart E of 2 CFR Part 200?  [2 CFR 200.323(c)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| d. Contract pricing was based on a method other than cost plus a percentage of cost or percentage of construction cost?  [2 CFR 200.323(d)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

K. BONDING REQUIREMENTS. [See 2 CFR 200.325.]

23.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If contracts have been awarded for construction or facility improvements that exceed the Simplified Acquisition Threshold, does the non-Federal entity meet the minimum Federal requirements for bid guarantees, performance bonds and payment bonds in 2 CFR 200.325 (or, alternatively, the bonding requirements of the Monitored Entity or subrecipient) if the Monitored Entity has determined the Federal interest is adequately protected?  [2 CFR 200.325] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

L. CONTRACT PROVISIONS. [See 2 CFR 200.326.]

24.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| For each of its procurement contracts, can the non-Federal entity document that it reviewed the applicability of the provisions described in Appendix II to Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards (and noted briefly below) and included the applicable provisions in the contract?   1. Remedies for violation or breach of contract terms? 2. Termination for cause and termination for convenience provisions? 3. Equal Employment Opportunity? 4. Davis-Bacon Act and Copeland “Anti-Kickback” Act? 5. Contract Work Hours and Safety Standards Act? 6. Rights to Inventions Made Under a Contract or Agreement? 7. Clean Air Act and Federal Water Pollution Control Act? 8. Debarment and Suspension? 9. Byrd Anti-Lobbying Amendment? 10. Procurement of Recovered Materials?   [2 CFR 200.326)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

## Checklist A5: Guide for Review of Equipment Management and Equipment Disposition

|  |  |
| --- | --- |
| Name of Monitored Entity: |  |
| Project ID: |  |
| Name of Project: |  |
| Name of Reviewer: |  |
| Date Completed: |  |

**Note:** All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met,the Reviewer must make a finding of noncompliance. All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the Reviewer in understanding the Monitored Entity’s program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a **"finding.**"

**Instructions:** The Checklist is designed to assist the Reviewer in determining the non-Federal entity’s compliance with the equipment management and disposition requirements at 2 CFR 200.310, 200.313 and 200.316, for any program which is subject to 2 CFR part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. As defined in 2 CFR 200.33, “equipment” means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or $5,000. (See also definitions at 2 CFR 200.58, *Information technology systems*, and 200.94, *Supplies*.) The Reviewer should randomly select an appropriate sample (e.g., based on size of last grant, amount of time allocated for monitoring, results of pre-monitoring preparation) of equipment acquired with the Federal funds for the program(s) being monitored as a basis for completing this Checklist. If the Monitored Entity’s accounting system includes information on equipment acquired with grant funds, the Reviewer may want to use this as a starting point for selecting the sample of equipment transactions. Use of this Checklist assumes that the equipment purchase has already met federal cost allowability and allocability criteria as necessary and reasonable for the performance of the Federal award (see 2 CFR 200.403(a)).

**Checklist Structure**: This Checklist is divided into 3 sections: Sample; Equipment Use and Management; and Equipment Disposition.

**Questions:**

A. Sample

1.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Provide information on the selected sample of equipment transactions in the table below.  If additional rows are needed, please attach an additional sheet. | | | | | | |
| **Item** | **Date Acquired** | **Acquisition Cost** | **Amount of Other Federal $ Used (if any)** | **Disposition Date**  **(if applicable)** | **Method of Disposition (if applicable)** | **Program Income Amount** |
| 1. |  |  |  |  |  |  |
| 2. |  |  |  |  |  |  |
| 3. |  |  |  |  |  |  |
| 4. |  |  |  |  |  |  |
| 5. |  |  |  |  |  |  |
| 6. |  |  |  |  |  |  |
| 7. |  |  |  |  |  |  |
| 8. |  |  |  |  |  |  |

B. Equipment USE AND Management

2.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If the non-Federal entity is a state, has an authorized official provided assurance (or does other evidence exist that demonstrates) that the equipment the non-Federal entity acquired under the award was used, managed and disposed of in accordance with state laws and procedures?  **NOTE**: Other non-Federal entities must follow paragraphs (c) through (e) of 2 CFR 200.313.  [2 CFR 200.313(b)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

3.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| a. If the non-Federal entity is not a state, did entity use the equipment in the program or project for which it was acquired as long as needed, whether or not the project or program continued to be supported by the grant award, and did the non-Federal entity obtain the prior approval if it encumbered the property?  [2 CFR 200.313(c)(1)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
| b. If the non-Federal entity is not a state, if the equipment is no longer needed for the original program or project, was it used in other activities supported by the Grantee, in the following order of priority:  (i) Activities under another Grantee award, then  (ii) Activities under Federal awards from other Federal awarding agencies?  (This includes consolidated equipment for information technology systems.)  [2 CFR 200.313(c)(1)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
| c. During the time that equipment is used on the project or program for which it was acquired, a non-Federal entity that is not a state must also make equipment available for use on other projects or programs currently or previously supported by the Federal Government, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. Did the non-Federal entity give first preference for other use to other programs or projects supported by grant awards and second preference to programs or projects under Federal awards from other Federal awarding agencies?  **NOTE**: Use for non-federally-funded programs or projects is also permissible and user fees should be considered if appropriate.  [2 CFR 200.313(c)(2)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
| d. If the non-Federal entity is not a state and it used equipment acquired with a grant award for non-Federally-funded projects or programs to provide services for a fee, was the fee at least equal to that charged by private companies for equivalent services (unless specifically authorized by Federal statute) for as long as the Federal Government retains an interest in the equipment?  [2 CFR 200.313(c)(3)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |
| e. If the non-Federal entity is not a state and it acquired replacement equipment and sold the equipment to be replaced (in lieu of using the property as a trade-in), and did not use the proceeds from the sale to offset the cost of the replacement property, were the proceeds treated as program income, if required by program requirements?  [2 CFR 200.313(c)(4)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

4.

|  |  |
| --- | --- |
| If the Monitored Entity is not a state, does it maintain property records which contain information regarding: | |
| a. Property description and location? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| b. Serial number or other identification number? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| c. Funding source (including the Federal Award Identification Number, or FAIN)? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| d. Title holder? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| e. Acquisition date and cost? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| f. Percentage of Federal participation in original acquisition cost? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| g. Use and condition of equipment? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| h. If applicable, disposition data, such as date of disposal and sales price? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

5.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If the non-Federal entity is not a state, has a physical inventory of equipment been taken and the results reconciled with the property records within the last two years? What was the date of the last inventory and the results?  [2 CFR 200.313(d)(2)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

6.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| a. If the Monitored Entity is not a state, does it have a control system which adequately safeguards property to prevent loss, damage, or theft?  [2 CFR 200.313(d)(3)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
| b. If the Monitored Entity is not a state and loss, damage, or theft of property acquired under the Federal award occurred, was it investigated?  [2 CFR 200.313(d)(3)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
| c. Does the non-Federal entity, at a minimum, provide the equivalent insurance coverage for equipment acquired or improved with Federal funds as that provided to property owned by the non-Federal entity?  **NOTE**: This question applies to all non-Federal entities (including states).  [2 CFR 200.310)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

7.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If the Monitored Entity is not a state, does it have maintenance procedures adequate to keep property in good condition?  [2 CFR 200.313(d)(4)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

8.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| If the Monitored Entity is not a state and is authorized or required to sell property, has it established proper sales procedures to ensure the highest possible return?  [2 CFR 200.313(d)(5)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

C. Equipment Disposition

9.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| a. If the non-Federal entity is not a state and if required by the terms and conditions of a grant award, did the non-Federal entity request disposition instructions when original or replacement equipment acquired under the award is no longer needed for the original project or program or for other activities currently or previously supported by HUD?  [2 CFR 200.313(e); CDBG Entitlement: 24 CFR 570.502(a)(6); HOME: 24 CFR 92.505; ESG: 24 CFR 576.407(c); CoC: 24 CFR 578.99(e)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |
| b. If the non-Federal entity requested disposition instructions under 9.a and the granting agency provided the requested instructions within 120 days, did the non-Federal entity follow the instructions?  [2 CFR 200.313(e)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |
| c. If the non-Federal entity is not a state and it was not required to request disposition instructions, or the granting agency failed to provide requested disposition instructions within 120 days, did the non-Federal entity dispose of the equipment as follows?  (i) Items of equipment with a current per unit fair market value of $5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the granting agency. (NOTE: This is the federal threshold. Verify that the State’s threshold is not more stringent.)  (ii) Items of equipment with a current per unit fair market value in excess of $5,000 may be retained by the non-Federal entity or sold. The granting agency is entitled to an amount calculated by multiplying the current fair market value or proceeds from sale by the granting agency’s percentage of participation in the cost of the original purchase. If the equipment is sold, the granting agency may permit the non-Federal entity to deduct and retain from the grant share $500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.  [2 CFR 200.313(e)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

1. This is the date the cost (expenditure or expense) is recorded in the recipient or subrecipient’s accounting records in accordance with the basis of accounting (cash or accrual) used by that entity. [↑](#footnote-ref-1)
2. This is the date the cost (expenditure or expense) is recorded in the recipient or subrecipient’s accounting records in accordance with the basis of accounting (cash or accrual) used by that entity. [↑](#footnote-ref-2)