



**Recipient:** \_\_\_\_\_ **Contract #:** \_\_\_\_\_

**I. Disbursements**

*Review the Recipient's most recent accounting records. Ask for the cash receipts journal, the cash disbursements journal, and the cash control ledger.*

*Check the appropriate box.*

1. Do CDBG accounting records reflect total revenues and expenditures to date as shown on the latest Request for Funds?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
2. Do the CDBG accounting records reflect current line item balances as shown on the latest Request for Funds?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3. Does it appear that financial records are being reconciled monthly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

*Pull a sample of the following types of transactions and trace them through the Recipient's accounting system. You may wish to pull more than one sample from each type. For each transaction:*

**Small Invoices** N/A *(If N/A, skip to Contracts.)*

4. Is there a purchase order or voucher?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
5. Is there an invoice?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
6. Is there a canceled check or a copy of the check and a bank statement showing that it has cleared?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
7. Is this transaction reflected on the disbursement journal?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
8. Is this transaction reflected on the detailed activity ledger?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

**Contracts** N/A *(If N/A, skip to Payroll.)*

9. Review the professional contract. Is the payment in accordance with the contract?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
10. Is there an invoice or a draw down request?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
11. Is there a canceled check or a copy of the check and a bank statement showing that it has cleared?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
12. Is this transaction reflected on the disbursement journal?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
13. Is this transaction reflected on the cash control ledger?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

**Payroll** N/A *(If N/A, skip to II. Requests for Funds. Complete if the Recipient is billing payroll to CDBG.)*

14. Is there a canceled check or a copy of the check and a bank statement showing that it has cleared?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
15. Are time sheets available which substantiate the amount of the payroll?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
16. Is this transaction reflected on the disbursement journal?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A



*Check the appropriate box.*

17. Is this transaction reflected on the cash control ledger as a total payroll amount?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
18. Is overtime being charged by employees performing duties part-time for the CDBG program?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<ul style="list-style-type: none"> <li>If <b>yes</b>, is the Recipient charging to the grant the same percentage of overtime as the percentage of the day spent on CDBG duties?</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Disbursements Comments:</b>	

**II. Requests for Funds**

*Check the appropriate box.*

1. Is the Recipient on a reimbursement basis? <i>(If yes, go to #4.)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
2. If this is an advance payment grant, are CDBG funds deposited directly into a non-interest bearing account? <i>(If no, explain in RFF Comments box.)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3. If this is an advance payment grant, were all expenditures made within three (3) days of deposit?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<ul style="list-style-type: none"> <li>If <b>no</b>, did the Recipient file a memo explaining why? <i>If not, issue a finding.</i></li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4. Were requests for funds limited to the minimum amounts needed?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
5. Based on the review of three randomly selected RFFs, is there documentation to support each of the amounts requested <i>(i.e., invoices totaling the amounts requested)? (If no, explain in RFF Comments box.)</i> List RFFs reviewed in <b>RFF Comments</b> box.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
6. In reviewing the invoices, does it appear that more than 50% of a line item was spent on a complementary activity of that line item? <i>(If yes, the application may need to be rescored based on the actual expenditures.)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

**Requests for Funds Comments:**



**III. Escrow Accounts**  **N/A** *(This section only applies to some Housing Rehabilitation grants. If N/A, skip to IV. Conclusions.)*

*Check the appropriate box.*

1. Is the Recipient using a Housing Escrow Account?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
2. Are the escrow account records broken down by the names of the home owners?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3. Is interest being returned to the Department quarterly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4. When funds were requested, was a contract already signed? (If <b>no</b> , explain below.)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
5. Where all funds expended within 10 days? [24 CFR 570.511 (a)(4)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
6. Pull a sample of checks from the escrow account and review the escrow account disbursement journal. Were any costs other than actual rehabilitation costs paid from the escrow account? (If <b>yes</b> , funds may need to be returned and drawn down from the correct budget category.)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Escrow Comments:</b>	

**IV. Conclusions**

Explain any finding(s) or concern(s) and specify corrective actions the Recipient must take to resolve the issue(s). Describe any technical assistance provided.