

Community Development Block Grant – Disaster Recovery (CDBG-DR)

**Financial Management and Grant Compliance Certification
Requirements for Local Government Grantees
2021 Disasters**

Instructions to grantees:

The term “grantee” refers units of general local government or “local government grantees” that received a direct allocation from HUD of Community Development Block Grant Disaster Recovery (CDBG-DR) funds.

If required an appropriations act, grant agreements will not be executed until the Secretary has issued a certification for the grantee. This Appropriations Act requires the Secretary to certify that the grantee has:

- Proficient financial controls in place;
- Proficient procurement processes in place;
- Adequate procedures to prevent any duplication of benefits as defined by section 312 (42 U.S.C. 5155) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) (Stafford Act);
- Adequate procedures to ensure timely expenditure of funds;
- Adequate procedures to maintain comprehensive websites regarding all disaster recovery activities assisted with the CDBG-DR funds; and
- Adequate procedures to detect and prevent fraud, waste, and abuse of funds.

CDBG-DR Certification Checklist:

HUD is adopting a revised process for implementing CDBG-DR grants whereby HUD will incorporate applicable provisions of the Consolidated Notice, to the extent they are consistent with future appropriations acts, in a Federal Register notice that announces allocations of the appropriated CDBG-DR funds (the “Allocation Announcement Notice”). The Allocation Announcement Notice cross references specific provisions of the Consolidated Notice and includes waivers and alternative requirements applicable for the subject grants. The Allocation Announcement Notice also adds or modifies requirements of the Consolidated Notice as necessary to comply with statutory requirements.

The Consolidated Notice describes the grant award process for CDBG-DR grantees, including the certification of financial controls and procurement processes and adequate procedures for proper grant management in Section III.A.1 of the notice. All CDBG-DR grantees must complete the Financial Management and Grant Compliance Certification Requirements and submit the Financial Management and Grant Compliance Certification Checklist (the “Certification Checklist”) to enable certification by the Secretary. This document is the Certification Checklist and incorporates all the Financial Management and Grant Compliance Certification Requirements.

If a CDBG-DR grantee is awarded a subsequent CDBG-DR grant, HUD will rely on the grantee’s prior submissions provided in response to the Financial Management and Grant Compliance Certification Requirements in the applicable Federal Register notice. HUD will continue to monitor the grantee’s submission and updates made to the policies and procedures during the normal course of business.

Note: The grantee must notify HUD of any substantial changes made to these submissions.

If a CDBG-DR grantee is awarded a subsequent CDBG-DR grant, and it has been more than three years since the executed grant agreement for the original CDBG-DR grant or a subsequent grant is equal to or greater than ten times the amount of the original CDBG-DR grant, grantees must update and resubmit the required documents with the completed Certification Checklist to enable the Secretary to certify that the grantee has in place proficient financial controls and procurement processes, and adequate procedures for proper grant management.

Financial Management and Grant Compliance Certification Requirements for Local Governments

If the grantee believes it complies with the requirement, the grantee should check the affirmation (e.g., the grantee “affirms” statement) under each question. The grantee must attach the required documentation, including the appropriate cross references in each Part of the Certification Checklist to demonstrate how the grantee will comply with the requirements. Most statements include citations in brackets, which have been provided for convenience to identify sources that served as the basis for the certification. The statements in this document reflect existing requirements and should not be read to impose additional requirements. Upon completion, a grantee must submit this checklist and the requested documentation to the grantee’s designated HUD representative.

Note: Grant Managers/CPD Representatives and Financial Analysts can assist the grantee in completing the Certification Checklist. grantees may contact their assigned Grant Manager/CPD Representative for questions on this checklist.

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Certification Checklist for Local Government CDBG-DR GranteesName of Grantee: **Lee County, FL**Date of Submission: **June 20, 2023****REQUIRED DOCUMENTATION**

Attach the following documents. Please select the corresponding box to signify that the documentation has been attached (or received separately).

The most recent single audit.	<input checked="" type="checkbox"/>
The most recent comprehensive annual financial report (CAFR).	<input checked="" type="checkbox"/>
Procurement policies and procedures relevant to the CDBG-DR grant.	<input checked="" type="checkbox"/>
Policies and procedures governing the use of program income.	<input checked="" type="checkbox"/>
Policies and procedures that prevent duplication of benefits.	<input checked="" type="checkbox"/>
Policies and procedures to ensure timely expenditures.	<input checked="" type="checkbox"/>
Policies and procedures to maintain a comprehensive website.	<input checked="" type="checkbox"/>
Policies and procedures to detect and prevent fraud, waste, and abuse.	<input checked="" type="checkbox"/>

In the table below, please list the file names/identifiers, title of the documents, and page numbers, if applicable, for all attachments. Additional attachments can be listed in the tables at the end of the checklist.

Reference File Name/Identifier	Title of Document	Relevant Page Number (s)	Related Certification Question
FY 2022 Single Audit	FY 2022 Single Audit Report	12-14	Part A Question 1)
FY 2022 ACFR	FY 2022 ACFR	1-7	Part A Question 2)
Lee County Procurement Ordinance	Ord 22-06	9-12 & 45-46	Part B Questions 1) & 2)
Lee Co CDBG-DR DOB	Lee Co CDBG-DR DOB	All	Part C Questions 1), 2) & 3)
Lee Co CDBG-DR Timely Expenditures	Lee Co CDBG-DR Timely Expenditures	All	Part D Question 1)
Lee Co CDBG-DR CPP	Lee Co CDBG-DR CPP	3-4	Part E Questions 1)-4)
Lee Co CDBG-DR Fraud Waste Abuse	Lee Co CDBG-DR Fraud Waste Abuse	All	Part F Questions 1)-7)

OPTIONAL DOCUMENTATION: Grantees can choose to provide additional documentation to support their certification. If providing additional documentation, grantees should list the file names/identifiers, title of the documents, page numbers, and related certification question the documentation is addressing in the table below. Additional attachments can be listed in the tables at the end of the checklist.

Reference File Name/Identifier	Title of Document	Page Number (s)	Related Certification Question

Financial Management and Grant Compliance Certification Requirements for Local Governments

PART A. Financial Management Controls

The grantee must have proficient financial controls. For purposes of the Secretary's certification, a grantee has in place proficient financial controls if the following statements are true:

1) The most recent single audit does not indicate weaknesses, deficiencies, or concerns related to CPD programs? [Section III.A.1.a.(1)(a)]	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2) The most recent CAFR does not indicate weaknesses, deficiencies, or concerns? [Section III.A.1.a.(1)(a)]	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3) If the single audit indicates deficiencies related to CPD programs, the grantee has documentation showing how those weaknesses have been or are being addressed? [Section III.A.1.a.(1)(a)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
4) If the CAFR does indicate deficiencies, the grantee has documentation showing how those weaknesses have been or are being addressed? [Section III.A.1.a.(1)(a)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
5) Has the grantee completed and submitted the certification documentation required in the applicable Certification Checklist? [Section III.A.1.a.(1)(b)]	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

The grantee should select one of the statements below.

- Grantee affirms that it does not have weaknesses, deficiencies, or concerns in the single audit or CAFR. ☒

OR

- If the grantee indicated weaknesses, deficiencies, or concerns related to CPD programs, the grantee has included documentation to address the weakness, deficiencies, or concerns. ☐

Reference File Name/Identifier	Title of Document	Page Number (s)	Related Certification Question
FY 2022 Single Audit	FY 2022 Single Audit Report	12-14	Part A Question 1)
FY 2022 ACFR	FY 2022 ACFR	1-7	Part A Question 2)

PART B. Procurement Processes

The grantee must have in place proficient procurement processes. For purposes of the Secretary's certification, a grantee has in place proficient procurement processes if the following statement is true.

1) The grantee has adopted the specific procurement standards at 2 CFR 200.318 through 2 CFR 200.327. [Section III.A.1.a.(2)(b)(i)]
2) The grantee has adopted procurement standards that uphold the principles of full and open competition. [Section III.A.1.a.(2)(b)]
Grantee affirms it meets this requirement: <input checked="" type="checkbox"/>

Reference File Name/Identifier	Title of Document	Page Number (s)	Related Certification Question
Lee County Procurement Ordinance	Ord 22-06	45-46	Part B Question 1)
Lee County Procurement Ordinance	Ord 22-06	9-12	Part B Question 2)

Note: As required by Consolidated Notice, the grantee's Implementation Plan must indicate which personnel or unit is responsible for CDBG-DR procurement, along with contact information.

PART C. Procedures for Prevention of Duplication of Benefits

The grantee must have adequate procedures to prevent any duplication of benefits as defined by section 312 (42 U.S.C. 5155) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.). For purposes of the Secretary's certification, a grantee has adequate procedures to prevent any duplication of benefits if the following statements are true:

<p>1) The grantee's Duplication of Benefits policies and procedures include a uniform process that:</p> <ul style="list-style-type: none"> determines all disaster assistance received by the grantee or applicant and all reasonably identifiable financial assistance available to the grantee or applicant, as applicable, before committing funds or awarding assistance; determines a grantee or an applicant's unmet need(s) for CDBG-DR assistance before committing funds or awarding assistance; and requires beneficiaries to enter into a signed agreement to repay any duplicative assistance if they later receive additional assistance for the same purpose for which the CDBG-DR award was provided. [Section III.A.1.a.(3)(a) – (c)]
<p>2) The grantee's identifies a method to monitor compliance with the agreement for a reasonable period (i.e., a time period commensurate with risk) and articulates this method in its policies and procedures, including the basis for the period during which the grantee will monitor compliance. This agreement must also include the following language: "Warning: Any person who knowingly makes a false claim or statement to HUD or causes another to do so may be subject to civil or criminal penalties under 18 U.S.C. 2, 287, 1001 and 31 U.S.C. 3729." [Section III.A.1.a.(3)(c)]</p>

- 3) The policies and procedures provide that before the award of assistance, the grantee will use the best, most recent available data from FEMA, the Small Business Administration (SBA), insurers, and any other sources of local, state, and Federal sources of funding to prevent the duplication of benefits. [Section III.A.1.a.(3)(c)]

Grantee affirms it meets this requirement: ☒

Reference File Name/Identifier	Title of Document	Page Number (s)	Related Certification Question
Lee Co CDBG-DR DOB	Lee Co CDBG-DR DOB	All	Part C Questions 1), 2) & 3)

Note: As required by applicable Federal Register notices, the grantee's Implementation Plan must indicate which personnel or unit is responsible for DOB compliance, along with contact information.

PART D. Procedures to Determine Timely Expenditures

A grantee must have adequate policies and procedures to determine timely expenditures. For purposes of the Secretary's certification, a grantee has adequate procedures to ensure the timely expenditure of funds if the following statement is true:

- 1) The grantee's timely expenditure policies and procedures indicate how it will track and document expenditures of the grantee and its subrecipients (both actual and projected reported in the performance report); how it will account for and manage program income; how it will reprogram funds in a timely manner for activities that are stalled; and how it will project expenditures of all CDBG-DR funds within the period provided in Section V.A. of the Consolidated Notice and applicable Allocation Announcement Notice. [Section III.A.1.a.(4)]

Grantee affirms it meets this requirement: ☒

Reference File Name/Identifier	Title of Document	Page Number (s)	Related Certification Question
Lee Co CDBG-DR Timely Expenditures	Lee Co CDBG-DR Timely Expenditures	All	Part D Question 1)

Note: As required by applicable Federal Register notices, the grantee's Implementation Plan must indicate which personnel or unit is responsible for timely expenditures, along with contact information.

PART E. Procedures to Maintain a Comprehensive Website

A grantee must have adequate policies and procedures to maintain a comprehensive accessible website. For purposes of the Secretary's certification, a grantee has adequate procedures to maintain a comprehensive website if the following statements are true:

- 1) The policies and procedures indicate to HUD that the grantee will have a separate webpage dedicated to its disaster recovery activities assisted with CDBG-DR funds and meet all requirements in the applicable *Federal Register* notice(s).

Note: The grantee's policies and procedures must indicate that the required items will be on its website. The required items in Section III.D.1.e of the Consolidated Notice are:

- the action plan created using DRGR (including all amendments);
- each performance report (as created using the DRGR system);
- citizen participation plan;
- procurement policies and procedures;
- all executed contracts that will be paid with CDBG-DR funds as defined in 2 CFR 200.22 (including subrecipients' contracts); and
- a summary including the description and status of services or goods currently being procured by the grantee or the subrecipient (e.g., phase of the procurement, requirements for proposals, etc.).

Contracts and procurement actions that do not exceed the micro-purchase threshold, as defined in 2 CFR 200.67, are not required to be posted to a grantee's website. [Section III.A.1.a.(5)]

- 2) For items required in Section III.D.1.d of the Consolidated Notice to be available to the public on its website, the grantee will make these documents available in a form accessible to persons with disabilities and those with limited English proficiency. [Section III.A.1.a.(5)]

- 3) The grantee will take reasonable steps to ensure meaningful access to their programs and activities by LEP persons, including members of protected classes, vulnerable populations, and individuals from underserved communities as described in Section III.D.1.d of the Consolidated Notice.

[Section III.A.1.a.(5)]

- 4) The grantee will update its website at least quarterly. [Section III.A.1.a.(5)]

Grantee affirms it meets this requirement: ☒

Please provide a link to the grantee's CDBG-DR Website, if available.

<https://www.leegov.com/recovery/cdbg-dr>

Reference File Name/Identifier	Title of Document	Page Number (s)	Related Certification Question
Lee Co CDBG-DR CPP	Lee Co CDBG-DR CPP	3-4	Part E Questions 1)-4)

Note: As required by applicable Federal Register notices, the grantee's Implementation Plan must indicate which personnel or unit is responsible for website management, along with contact information.

PART F. Procedures to Detect Fraud, Waste, and Abuse of Funds

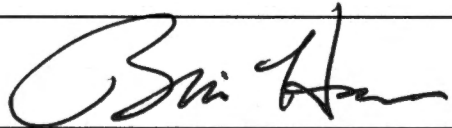
The grantee must have adequate procedures to detect fraud, waste, and abuse of funds. For purposes of the Secretary's certification, a grantee has adequate procedures to detect fraud, waste, and abuse of funds if the following statements are true:

1) The grantee has policies and procedures to detect fraud, waste, and abuse. The grantee's procedures are adequate if the procedures indicate: <ul style="list-style-type: none"> a. how the grantee will verify the accuracy of information provided by applicants; b. the criteria to be used to evaluate the capacity of potential subrecipients; and c. the frequency with which the grantee will monitor other agencies that will administer CDBG-DR funds, how it will monitor subrecipients, contractors, and other program participants, and why monitoring is to be conducted and which items are to be monitored. [Section III.A.1.a.(6)(a)-(c)]
2) The grantee has or will hire an internal auditor that provides both programmatic and financial oversight of grantee activities, and has adopted policies that describes the auditor's role in detecting fraud, waste, and abuse (which must be submitted to HUD). [Section III.A.1.a.(6)(d)]
3) The grantee has a written standard of conduct and conflicts of interest policy that complies with the requirements of 24 CFR 570.489(g), 24 CFR 570.489(h), and other sections described in the applicable Federal Register notice, which includes the process for promptly identifying and addressing such conflicts. [Section III.A.1.a.(6)(e)(i)]
4) The grantee assists in investigating and taking action when fraud occurs within the grantee's CDBG-DR activities and/or programs. All grantees receiving CDBG-DR funds for the first time shall attend and require subrecipients to attend fraud-related training provided by HUD OIG, when offered, to assist in the proper management of CDBG-DR funds. [Section III.A.1.a.(6)(f)]
5) The grantee indicates that instances of fraud, waste, and abuse will be referred to the HUD OIG Fraud Hotline (phone: 1-800-347-3735 or email: hotline@hudoig.gov). [Section III.A.1.a.(6)(f)]
6) The grantee has procedures that indicate how the grantee will make CDBG-DR beneficiaries aware of the risks of contractor fraud and other potentially fraudulent activity that can occur in communities recovering from a disaster. Grantees must provide CDBG-DR beneficiaries with information that raises awareness of possible fraudulent activity, how the fraud can be avoided, and what local or state agencies to contact to take action and protect the grantee and beneficiary investment. [Section III.A.1.a.(6)(f)]
7) The grantee's procedures address the steps it will take to assist a CDBG-DR beneficiary if the beneficiary experiences contractor or other fraud. If the beneficiary is eligible for additional assistance as a result of the fraudulent activity and the creation of remaining unmet need, the procedures also address what steps the grantee will follow to provide the additional assistance. [Section III.A.1.a.(6)(f)]
Grantee affirms it meets this requirement: <input checked="" type="checkbox"/>

Reference File Name/Identifier	Title of Document	Page Number (s)	Related Certification Question
Lee Co CDBG-DR Fraud Waste Abuse	Lee Co CDBG-DR Fraud Waste Abuse	All	Part F Questions 1)-7)

CERTIFICATIONS

As required by the Consolidated Notice and the Allocation Announcement Notice, the grantee must make the certification below by signing where indicated.

Compliance Certification
<p>The grantee certifies that: it has reviewed the requirements of Public Law(s) <u>117-328</u>, which appropriates CDBG-DR funds, and the Consolidated Notice and Allocation Announcement Notice that establish the rules, waivers, and alternative requires and allocate CDBG-DR funds; that its responses to this checklist and submitted supporting documentation are accurate; that it will adhere to the controls, standards, processes, corrective actions, and procedures it described in this checklist and supporting documentation; and that it has in place proficient financial controls and procurement processes and that it has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Stafford Act, to ensure timely expenditure of funds, to maintain comprehensive websites regarding all disaster recovery activities assisted with these funds, and to detect and prevent waste, fraud, and abuse of funds.</p>
<div></div> <div>Signature of Certifying Official</div>
<div><div>Brian Hamman - CHAIR</div><div>(Printed Name of Certifying Official)</div></div> <div><div>6/23/23</div><div>(Date)</div></div>

Approved as to Form for the
Reliance of Lee County Only

By: Christina Fraser
Office of the County Attorney

Financial Management and Grant Compliance Certification Requirements for Local Governments

Additional attachments can be listed in this table.

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