



STATE OF CALIFORNIA  
OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT  
Subrecipient Roles, Responsibilities and Requirements Webinar  
December 8<sup>TH</sup> & 9<sup>th</sup>, 2021 – Frequently Asked Questions

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## **Webinar – Day One**

### **General Introduction**

**1. When will subrecipients receive a copy of the presentation slides used during the webinar? Where and when will a recording of this webinar be available for HCD's subrecipients?**

Subrecipients will receive a copy of the presentation slides within two weeks of the webinar date. HCD also anticipates releasing the webinar recordings on their Disaster Recovery website. Both the slides and recordings for Day One and Day Two will be located [here](#).

**2. Which HCD subrecipients or entities should attend or review this presentation?**

Subrecipients who have received or anticipate receiving a Community Development Block Grant-Disaster Recovery (CDBG-DR) or Mitigation (CDBG-MIT) grant must either attend or review these training webinars.

### **Part I: General Subrecipient Roles and Responsibilities**

**3. Roles and responsibilities regarding program management, reporting, and communication requirements will entail a substantial amount of subrecipient effort. What should subrecipients, who have not had much experience with CDBG-DR or -MIT program funding to-date, anticipate in terms of staff resources and capacity in meeting these requirements?**

Each subrecipient has different staffing resource needs. The experience of the staff plays an important role in anticipating staffing resources. All subrecipients will receive a grant administration capacity assessment from HCD to help determine the level of technical assistance needed to implement any specific program. Subrecipients should not wait for HCD's capacity assessment to begin making determinations on staff capacity. If your staff does not have experience with CDBG-DR or -MIT programs, HCD encourages subrecipients to contact their Program Representative(s) regarding staffing resources.

Part II of this training webinar, Review of Master Standard Agreement/Standard Agreement (MSA/SA) Requirements:

- Lays out key CDBG-DR/MIT requirements which all subrecipients must adhere to,
- Provides best practices on how subrecipient staff should shape their staff to meet certain responsibilities, and
- When they should contact HCD staff for support or technical assistance to ensure their activities comply with these key requirements.

HCD also encourages subrecipients to review questions #9 - #14 within this FAQ to help further facilitate discussing ideas on staffing, capacity, or resource needs with HCD.



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- a. Would you recommend that subrecipients consult with one or several other more experienced local entities to get an idea of what staffing levels subrecipients should anticipate having to commit to this effort?**

Yes, HCD encourages subrecipients to connect with other local entities or jurisdictions to learn about their best practices or lessons learned on CDBG grant administration capacity.

- 4. If a subrecipient has specific questions about monitoring and would like to speak with the HCD monitoring team, when do they have access to the HCD monitoring staff to coordinate the monitoring review process?**

Please see the link [here](#) to the CDBG-DR Monitoring Plan which discusses the process and timelines for how and when HCD monitoring staff conducts risk assessments with subrecipients and then notifies subrecipients on monitoring reviews. HCD encourages subrecipients to ask any monitoring-specific questions through their HCD Program Representative who will then route those questions to the HCD monitoring staff for a response.

- 5. Should a subrecipient utilize the HUD CPD Monitoring Handbook as a resource for the CDBG-DR/MIT monitoring process?**

Yes, the [HUD CPD Monitoring Handbook](#) is a resource subrecipients can refer to for the CDBG-DR and -MIT monitoring process. HCD is developing monitoring checklists to tailor questions specific to its DR and MIT programs and subrecipients, and these checklists are based on the HUD CPD Monitoring Handbook. HCD monitoring staff will post these checklists with the monitoring plan on the DR website as soon as they become available and well in advance of subrecipient monitoring to allow adequate time for subrecipients to prepare for a monitoring.

- 6. Will subrecipient requirements be the same for MIT-PPS awards?**

Subrecipients can refer to the [CDBG-DR Grant Administration Manual](#) and the [CDBG-MIT Grant Administration Manual Addendum](#) for the 2017 and 2018 disasters to identify requirements under your respective programs. Additionally, the MSA/SA will include specific and federal cross-cutting requirements which subrecipients should adhere to. The federal cross-cutting requirements which HCD discusses under Part II of this training has general applicability for all subrecipients.



## **Webinar – Day Two**

### **Part II: MSA/SA Requirements – General Reporting and Data Collection Requirements**

#### **7. When are subrecipients required to submit activity reports?**

Some programs may have differing frequencies of reports based on the language in the MSA or SA signed with a subrecipient. Activity reports should be submitted at least quarterly, but some programs may require a monthly submission. HCD stresses utilizing your executed MSA or SA and notating those specific sections which dictate the reporting frequency as it relates to your specific funding allocation or award. Subrecipients can refer to the Reporting Requirements section under Exhibit D of their MSA/SA to establish reporting frequency requirements.

##### **a. Will there be reporting templates or examples of data within the reporting process that HCD can direct subrecipients to? If not currently, when will subrecipients receive this guidance on what data to report?**

Part II of the training webinar provided initial documentation and information which subrecipients should begin to record and notate for potential reporting on certain federal cross-cutting requirements in the future. As for an initial report example, HCD has developed the Activity Report template for the Multifamily Housing Program (MHP) within Grants Network. HCD will provide more specific guidance and training on documenting compliance, including which records may contain critical data for reporting, in subsequent subrecipient training sessions during 2022 as additional programs begin setting up MSAs/SAs with subrecipients.

#### **8. Are subrecipients required to collect and document certain information or data from beneficiaries as provided by HCD program staff even if the data is not relevant or applicable?**

For any questions regarding beneficiary documentation and data collection requirements received specifically from HCD program staff, please reach out to your respective Program Representative(s).

### **Part II: MSA/SA Requirements – National Objective**

#### **9. Will HCD provide report examples and/or template document checklist that subrecipients can use for notating and verifying National Objective?**

Due to specific programmatic requirements, verification documents for National Objective compliance may differ from program to program. HCD will continue to coordinate with subrecipients on developing such documentation lists specific to projects and the applicable National Objectives eligible under certain programs. Notating that document set for future, similar projects within the same, or similar, programs going forward will be helpful, but again, HCD will look to coordinate further with subrecipients as it relates to your proposed or potential project's National Objective.



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Part II: MSA/SA Requirements – Environmental

**10. When are subrecipient staff required to contact HCD program staff in regards environmental considerations, scenarios, or instances?**

Besides collaborating with HCD program staff during the development and creation of the initial Environmental Review Record (ERR), subrecipient staff should contact HCD program staff whenever there are changes in construction, project scope, or project budget to determine whether the ERR requires an environmental re-assessment or clearance of additional funding.

**a. Are there other environmental considerations or requirements which may cause a subrecipient to maintain frequent action items after receiving environmental clearance?**

Yes, besides environmental re-assessment due to scope changes, subrecipients may also have responsibilities to complete or perform mitigation measures during construction as a condition of receiving a release of funds. All mitigation measures in the ERR require documentation of compliance, such as photos, inspection reports, permit approvals, and As-Built plans. These documents will become a permanent part of the ERR.

Part II: MSA/SA Requirements – Financial Management

**11. Can HCD point to financial management checklists which will indicate what level of financial documents subrecipients will need? Is that something that HCD can provide now to ensure subrecipients are following financial requirements correctly?**

HCD will continue to coordinate with subrecipients on developing such lists as it relates to financial management documentation needed. HCD will provide guidance soon on topics such as invoice submissions and financial reporting, among others.

Part II: MSA/SA Requirements – Procurement

**12. Does HCD have any reference materials on SAM.gov website “user ability” to make the site more user friendly?**

There are some reference materials for SAM.gov website “user ability.” The General Service Administration’s (GSA) Federal Service Desk releases [FAQs](#) for the SAM.gov website, including [a list of what types of searches can be performed](#), Before and After Guides ([a .pdf guide](#) and [a video tutorial](#)) for website changes which took place in early summer 2021, and [a video tutorial for walking through simple searches](#) on the website. Subrecipients can use the FAQ link above to access the Help Desk to explore other SAM.gov user functions.

**a. Will HCD provide procurement reference materials of what a “no exclusions verification” would look like under the SAM.gov website?**



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There are also some reference materials for the “no exclusions verification” under the SAM.gov website. Subrecipients can view an [FAQ](#) on searching for exclusions on the site as well as an [FAQ](#) on how to print or download verification that an entity has no active exclusions.

**b. Are there other procurement reference materials which HCD recommends reviewing?**

Subrecipients can refer to the HUD “Buying Right Guide” or select a link at the GSA website for help. The link to the HUD Procurement “Buying Right Guide” is [here](#). In addition to the HUD guide, subrecipients can also refer to the [CDBG-DR Procurement Webinar Presentation Slides](#).

Part II: MSA/SA Requirements – Financial Management, Procurement, and Davis-Bacon (Labor) Appointment of Officers

**13. There may be an overlap of subrecipient staff assigned when designating officers in smaller entities. Are there any that HCD would recommend not be assigned multiple roles?**

It is acceptable for a jurisdiction to designate a single employee with multiple roles, such as the Procurement Officer and Labor Standards Officer. No single employee, however, can have the authority to authorize a transaction, execute a transaction, record a transaction, and have custody of any resulting assets. Subrecipients are encouraged to abide to their internal controls policies within their entity to ensure one staff member is not completing a review and then approving that review under the same subject matter. For example, subrecipients should have multiple finance staff and a clear segregation of duties, i.e., one person to approve invoices, another person to write the check/approve the transaction, to ensure fiscal control. The same is true for procurement and contracting tasks.

**a. Should all appointed officers be from the subrecipient staff or can consultants of the subrecipient fit this role?**

It is acceptable for a subrecipient’s consultant to serve as a Labor Compliance Officer or Section 3 Coordinator for example, based on the level of subrecipient staff and resources available and in coordination with the subrecipient’s internal standard operating procedures. A consultant cannot serve as an Environmental Certifying Officer, however, and only in rare instances with proper internal controls in place should consultants serve as Procurement or Financial/ Accounting Officers.

Part II: MSA/SA Requirements – Section 3

**14. Has HCD determined when and how subrecipients should collect Section 3 data?**

HCD is currently developing Section 3 resources for subrecipients to utilize on projects as it relates to the Final Rule implementation. HCD will make these resources available to subrecipients as soon as they are ready. In the meantime, subrecipients can refer to the



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[HUD Section 3 training video](#) and [PowerPoint slides](#). HCD also has Section 3 materials on its [Grant Management Resources](#) webpage under the DR website.

**a. Should subrecipients include Section 3 efforts in bid documents or after an award?**

Subrecipients should include Section 3 efforts, in accordance with the Final Rule, in bid documents during the procurement process. Subrecipients will want contractors to be aware of all requirements, e.g., a Section 3 Plan and reporting requirements, up front by including them within the scope of services of the bid or Request for Proposals (RFP) package. This helps potential bidders or proposers understand their potential reporting burdens and provide a cost of effort within the bid or proposal, similar to Davis-Bacon labor requirements. HCD will add more guidance on these Section 3 efforts to the resources page identified in response to question #14, as those resources become available.