

## VIII. FILE MANAGEMENT AND MONITORING

The Department of Commerce, DHCD may elect to monitor your CDBG-RLF program for compliance with the requirements described in this RLF Implementation Handbook. When a DHCD CDBG representative comes to your community, you can expect the following:

- You will be notified well in advance of the monitoring visit. CDBG reps will never pay a “surprise” monitoring visit to your office.
- You will receive a letter prior to the monitoring visit describing when the reps will arrive, and what will be reviewed during the visit.
- You will be requested to provide an area in which at least two people can work comfortably.
- CDBG reps have the right to review any file or record that is associated with the CDBG program.
- The CDBG reps monitoring your program will use the forms included in this chapter.
- To the extent, you are able to have the necessary forms and documentation ready and available; your monitoring visit will go quickly and smoothly.

### Documents and forms to have ready for your monitoring visit:

- Invoices, timesheets, and other documents needed to support CDBG payments
- Acquisition/Disposition Register
- All financial management forms – with entries current
- Individual project files – with documentation in an orderly fashion
- Housing Procedures Manual and minutes of meetings adopting amendments

**PROGRAM FILES CHECKLIST**

**COMMUNITY:** \_\_\_\_\_ **REVIEW DATE:** \_\_\_\_\_

**REVIEWER:** \_\_\_\_\_

- \_\_\_\_ A.    **PROCUREMENT FOR SERVICES UNDER \$100,000**
  - \_\_\_\_    Grantee maintains file with signed procurement policy.
  - \_\_\_\_    Price and rate quotations from three (3) qualified sources.
  - \_\_\_\_    Grantee provides a rationale for contractor selection or rejection.
  - \_\_\_\_    Contractors/consultants/engineers/auditors hired using procurement: \_\_\_\_\_
  - \_\_\_\_    Appropriate language in contract(s): Title VI & Sec. 109
  
- \_\_\_\_ B.    **MONITORING FILE**
  - \_\_\_\_    DHCD Technical Assistance letters
  - \_\_\_\_    DHCD monitoring reports, letters of findings and recommendations.
  - \_\_\_\_    Response(s) to letters of findings.
  - \_\_\_\_    Evidence clearing monitoring findings.
  - \_\_\_\_    Other monitoring-related correspondence.
  
- \_\_\_\_ C.    **ACQUISITION/DISPOSITION REGISTER**
  - \_\_\_\_    Current acquisition/disposition register.
  - \_\_\_\_    DHCD approval for purchase/lease of equipment valued in excess of \$2,000.
  
- \_\_\_\_ D.    **HOUSING PROCEDURES CHAPTER**
  - \_\_\_\_    Current Housing Procedures Chapter on file
  - \_\_\_\_    Copy of Amendments and minutes approving.
  - \_\_\_\_    Housing Committee membership list.
  - \_\_\_\_    Housing Committee meeting minutes (Conflict of Interest).
  - \_\_\_\_    Program outreach materials.
  - \_\_\_\_    Record of annual LMI tenant verification (or established system)
  
- \_\_\_\_ E.    **EQUAL OPPORTUNITY FILE**
  - \_\_\_\_    Equal Opportunity language on CDBG housing application forms
  - \_\_\_\_    Equal Opportunity language on all contracts, housing, employment and business opportunities.
  
- \_\_\_\_ F.    **ENVIRONMENTAL REVIEW RECORD**
  - \_\_\_\_    Grantee had documentation that an environmental review, if required, was performed.

## FINANCIAL MANAGEMENT MONITORING CHECKLIST

COMMUNITY: \_\_\_\_\_ REVIEW DATE: \_\_\_\_\_

REVIEWER: \_\_\_\_\_

### **RLF REHABILITATION OBLIGATION TRACKING JOURNAL**

- \_\_\_\_\_ Is current
- \_\_\_\_\_ Is accurate (perform random calculation checks)
- \_\_\_\_\_ All project deposits correspond with project deposits in the RLF Accounting Journal

### **RLF ACCOUNTING JOURNAL**

- \_\_\_\_\_ Is current -- Interest earned and repayments are posted in a timely fashion
- \_\_\_\_\_ Is accurate (perform random calculation checks)
- \_\_\_\_\_ Documents that no more than 15% of RLF is used for administration (perform random calculation checks).
- \_\_\_\_\_ RLF Working Account reconciles with bank statement or locality's computerized statement

Date of Bank Statement: \_\_\_\_\_

	1.	Balance of RLF Accounting Journal	\$ _____
(-)	2.	Deposits not shown on Bank Statement	\$ _____
(+)	3.	Checks not cleared on Bank Statement	\$ _____
(=)	4.		\$ _____
	5.	Balance from Bank Statement	\$ _____

**(#4 should equal #5)**

### **SOURCE DOCUMENTATION FOR FINANCIAL TRANSACTIONS**

- \_\_\_\_\_ All administrative payments are supported by invoices or other appropriate documentation
- \_\_\_\_\_ Any voided checks are accounted for
- \_\_\_\_\_ Administrative funds were used appropriately
- \_\_\_\_\_ Timesheets verify salary claims (where administrator is a municipal employee)



	YES	NO
Recorded mortgage? (Date signed: _____) (Date rec: _____) (Recorded 1-2 weeks after signing max. Should be same amount as total bids + C.O.)	_____	_____
Promissory Note?	_____	_____
Right of Rescission? (Date: _____)	_____	_____
Truth-in-Lending statement? (Date: _____)	_____	_____
Lead-based paint brochure to occupant?	_____	_____
Local unit of government added to homeowner's insurance?	_____	_____
Request by contractor for each payment made?	_____	_____
Homeowner's payment authorization?	_____	_____
Lien waivers?	_____	_____
Written and authorized change orders?	_____	_____
 <b><u>HOMEBUYER PROJECTS:</u></b>		
Documentation of 1:1 downpayment matching funds?	_____	_____
Eligible closing costs?	_____	_____
Proof of first mortgage financing amount?	_____	_____
<b><u>RENTAL REHAB PROJECTS:</u></b> (does the file contain)		
Landlord agreement to rent to LMI?	_____	_____
Verification of LMI tenants?	_____	_____
Non-displacement letters to tenants?	1    2	1    2
 <b><u>INSPECTION</u></b>		
Was on-site visit made to this rehab project?	_____	_____
Was a phone interview done for this project?	_____	_____
Were all contracted items satisfactorily completed?	_____	_____
Was property owner satisfied with rehab?	_____	_____
Was property owner satisfied with rehab loan process?	_____	_____

**COMMENTS/PROJECT SUMMARY**

<b><u>ENVIRONMENTAL REVIEW:</u></b> (does the file contain)	YES	NO
Completed Statutory Checklist?	_____	_____
Evidence of consultation where indicated by Statutory Checklist?	_____	_____
Copy of all correspondence regarding historic preservation?	_____	_____

Age of structure: \_\_\_\_\_

**Historic Preservation**

Was the project identified as 50 years of age or older?

Yes\_\_\_\_\_ no\_\_\_\_\_

If “no,” go to **Floodplains**.

If “yes,” were all the activities carried out contained on the **Activities Exempt from further review list**?

Yes\_\_\_\_\_ no\_\_\_\_\_

If “yes,” go to **Floodplains**.

If the project is 50 years of age or greater, and if the activities were **not** found on the **Activities Exempt from further review list**, there must be correspondence with the Division of Housing requesting compliance review. Was there?

Yes\_\_\_\_\_ no\_\_\_\_\_

Did the grantee wait until receiving approval from BOLD before carrying out any activities not found on the **Exempt** list?

Yes\_\_\_\_\_ no\_\_\_\_\_

If the SHSW specified conditions under which the project could proceed (i.e., either a “No Adverse Effect” or “Conditional No Adverse Effect”), is there documentation that the grantee has complied with the agreed upon conditions in carrying out the rehab?

Yes\_\_\_\_\_ no\_\_\_\_\_

If there is a finding of Adverse Effect on the property, does the ERR contain an executed Memorandum of Agreement?

Yes\_\_\_\_\_ no\_\_\_\_\_

**Floodplains**

Does the Statutory Checklist list the Flood Insurance Rate Map (or FIRM) on which the property is located?

Yes\_\_\_\_\_ no\_\_\_\_\_

Was the project located in a 100-year floodplain?

Yes\_\_\_\_\_ no\_\_\_\_\_

If “yes,” did the activity exceed the threshold which defines **substantial rehab** (exceeding 50% of the before-rehab value of the property)?

Yes\_\_\_\_\_ no\_\_\_\_\_

If “yes,” does the file contain evidence that a floodplain review was performed?

Yes\_\_\_\_\_ no\_\_\_\_\_

**Wetlands**

Is the project located in a wetland?

Yes\_\_\_\_\_ no\_\_\_\_\_

Will the project as proposed affect a wetland, such as through either placing fill in it, or by altering natural drainage patterns?

Yes\_\_\_\_\_ no\_\_\_\_\_

If the answer to either question is “yes,” was a wetland review carried out and included in the project file?

Yes\_\_\_\_\_ no\_\_\_\_\_

**Coastal Zones**

Is the project site located within a coastal zone county?

Yes\_\_\_\_\_ no\_\_\_\_\_

If “yes,” has the grantee secured a written statement from the RPC stating the proposed activity is consistent with the Coastal zone management plan?

Yes\_\_\_\_\_ no\_\_\_\_\_

**Wild and Scenic Rivers**

Is the project located on either the Lower Wisconsin River, the Upper or Lower St. Croix Rivers, or the Wolf River?

Yes\_\_\_\_\_ no\_\_\_\_\_

If “yes,” then the project file must include documentation of a review by the National Park Service.

**Farmland Preservation**

Does the Statutory Checklist indicate the project site contains either “prime,” “unique,” or “important” farmland, as designated by the USDA?

Yes\_\_\_\_\_ no\_\_\_\_\_

If “yes,” the project file must show documentation of a farmland preservation review.

**Runway Clear Zones**

Does the Statutory Checklist show evidence of consultation with HUD Circular letter HD 85-8 (runway clear zones)? This requirement affects certain properties in Milwaukee, Eau Claire, Manitowoc, Janesville, Oshkosh, La Crosse, Grand Rapids (near Wisconsin Rapids), and Hayward).

Yes\_\_\_\_\_ no\_\_\_\_\_

If the property is listed on HD 85-8, then the project file must contain a signed copy of the required notice that must be given to owner/occupants, tenants, and/or prospective purchasers.

**Manmade Hazards**

Did the grantee determine whether any leaking underground storage tanks, hazardous waste facilities, spill sites or other potential public health and safety problems either directly or indirectly affect the project site?

Yes\_\_\_\_\_ no\_\_\_\_\_

Were any such sites found?

Yes\_\_\_\_\_ no\_\_\_\_\_

If "yes," the grantee must consult with BOLD and determine whether further review and/or actions are necessary before carrying out the project. Were actions taken?

Yes\_\_\_\_\_ no\_\_\_\_\_

Use the following space for additional comments on what actions were taken, and whether the actions appear to have addressed the concerns, and whether further monitoring or review by BOLD appears necessary.

**Thermal and Explosive Hazards**

If new construction, did the grantee locate the project a safe distance from hazards such as aboveground storage tanks and other industrial facilities using or storing flammable or explosive materials?

Yes\_\_\_\_\_ no\_\_\_\_\_

**Water Quality**

Will the project adversely affect either water quality or supplies?

Yes\_\_\_\_\_ no\_\_\_\_\_

Will the project affect any navigable waters, including rivers and lakes?

Yes\_\_\_\_\_ no\_\_\_\_\_

If the answer is "yes," did the grantee obtain a permit from the U.S. Army Corps of Engineers?

Yes\_\_\_\_\_ no\_\_\_\_\_

**Solid Waste Disposal**

Did the project generate hazardous waste, such as asbestos or lead-based paint?

Yes\_\_\_\_\_ no\_\_\_\_\_

If “yes,” was the waste disposed using a certified waste hauler and a DNR-registered waste site?

Yes\_\_\_\_\_ no\_\_\_\_\_

**Noise**

Is the project located near a highway with more than 10,000 vehicles/day, a railroad with more than 2-trains/per day, an airport with commercial operations or any stationary noise source?

Yes\_\_\_\_\_ no\_\_\_\_\_

If “yes,” is there evidence that measures were taken to reduce interior noise levels?

Yes\_\_\_\_\_ no\_\_\_\_\_

**Observations and Comments**

Has compliance improved since the last monitoring visit, or has it worsened?

Do certain areas appear to be in better compliance than others?

What areas suggest a need for further training?

Other comments