

UNITED STATES VIRGIN ISLANDS HOUSING FINANCE AUTHORITY

CDBG-DR RECORDKEEPING AND REPORTING REQUIREMENTS

**VERSION: 1.1
April 1, 2019**

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Virgin Islands Housing Finance Authority



The policies and procedures stated in this manual are current as of April 1, 2019. This Manual represents the current version of the Virgin Islands Housing Finance Authority's (VIHFA) policies which shall provide general guidance for the operation of the CDBG-DR Division. All manuals will be reviewed periodically and will be updated. Therefore, you are strongly urged to visit our website www.vihfa.gov/cdbg-dr or to ensure that you have the latest version. There may be times, however, when a policy or procedure will change before the manual is revised.

Version History

Recordkeeping and Reporting Requirements Version Control

VERSION NUMBER	DATE REVISED	DESCRIPTION
VERSION 1	12/14/2018	CDBG-DR Recordkeeping and Reporting Requirements
VERSION 1.1	04/01/2019	

Version Policy

Version history is tracked in the table above, with notes regarding version changes. The dates of each publication are also tracked in this table. The first version of this document is 1.0.

Substantive changes within this document that reflect a policy change will result in the issuance of a new version 2.0, an increase in the primary version number. Future policy changes will result in additional revision and the issuance of a new primary version number.

Non-substantive changes such as minor wording and editing, or clarification of existing policy, that do not affect the interpretation or applicability of the policy will be included in minor version updates denoted by a sequential number increase behind the primary version number. Such changes would result in a version number such as 2.1, 2.2, etc.

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1.0 Overview

It is crucial to the successful completion of CDBG-DR activities that VIHFA fully document compliance with all applicable territory and federal regulations. This is accomplished through maintaining comprehensive records and submitting all necessary reports.

This document will outline the Recordkeeping and Reporting standards in accordance with the requirements for the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant – Disaster Recovery (CDBG-DR) Program found at 24 CFR 570.490 as well as Federal Register Notices FR-6066-N-01 and FR-6109-N-01 pertaining to funds awarded in response to Hurricane Irma and Maria.

VIHFA must comply with the recordkeeping requirements of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards including 2 CFR 200.333-.337.

The filing system should be easy to use and provide a historic account of activities for examination and review by VIHFA, HUD, and Auditors. All records must be available to the following entities upon request:

- U.S. Department of Housing and Urban Development
- The Office of Inspector General
- The General Accounting Office

These entities must have access to any pertinent books, records, accounts, documents, papers, and other property that is relevant to the grant. Certain records must be available to the public as well. However, Implementing Partners must keep files that contain personal information, such as social security numbers, in a secure place. It is important to make note of VIHFA and local Freedom of Information laws.

1.1 Maintaining Records

Subrecipients must establish a system for record keeping that assists VIHFA with the review of files for compliance. In other words, records should be kept in a manner that clearly tells the whole story of a Community Development Block Grant Disaster Recovery (CDBG-DR) project from beginning to end.

The list below identifies major file categories, and the materials that should be maintained in each file. **This list is not all-inclusive**; therefore, refer to applicable laws and regulations as well as the other chapters of this manual for more information.

The following procedural guidelines are suggested to be considered when designing the filing system:

- Separate files should be maintained for each awarded project or program (scope of work);
- Files should be coded for each area of compliance to allow for easier access;
- Responsibility for file-keeping should be delegated to the CDBG-DR Administrative and Data Specialist (position currently being developed) to provide consistency;
- Files should be secured at all times;
- Files should be maintained in accordance with the below Sample File Listing.

1.2 VIHFA File Listing

1.2.1 VIHFA General File

- CDBG-DR Action Plan and all amendments
- HUD Contract
- All written correspondence (not including emails)
- Personnel records
- Property Management documents

1.2.2 Citizen Participation File

- Citizen Participation Plan
- Notices of Public Hearing
- Minutes from the public hearing
- Evidence of all other citizen outreach techniques
- Citizen complaints and relevant correspondence (if applicable)

1.2.3 Fair Housing and Equal Opportunity

- Documentation of all other efforts to Further Fair Housing (including Fair Housing Ordinance)

1.2.4 Financial Management

- Financial Management Policies and Procedures
- Financial Management Standard Operating Procedure
- Chart of Accounts
- Copies of executed SF-424 Form
- Program Income Data (sources and amount by transaction)
- Source documentation for all VIHFA transactions
 - Purchase Orders, Invoices, Contracts
 - Timesheets for CDBG-DR staff
 - Authorized Signature Cards
 - Claim Vouchers
- Disbursement Information (checks, EFT vouchers, etc.)
- Copies of all Grant Agreements and Contracts between VIHFA, Partners and Vendors
- Property Inventory Form (for all real property acquired with CDBG-DR funds)

1.2.5 Procurement Records

- All Procurements utilizing CDBG-DR funds
 - Documentation of Cost Reasonableness Estimate for all procurements
- Supplies/Materials
 - Copy of Request for Quotation (RFQ) (email, telephone notes, etc.)
 - Documentation of Notice to DAS for M/WBE participation
 - Documentation of all quotes received

- Justification of selection
- Professional Services
 - Copy of the Request for Proposal (RFP) or Request for Qualifications (RFQ)
 - Copy of the RFP/RFQ newspaper or other form of advertisement
 - Documentation of notification to DAS for M/WBE participation
 - List of companies who submitted response to Request for Qualifications or Proposals
 - RFP/RFQ evaluation and scoring documents
 - List of short-listed firms and documentation of interview process
 - Short-listed firms' evaluation and scoring documents
 - Justification for selection of contractor
 - Award letter
 - Notification to unsuccessful bidders
- Construction and Related Services
 - Copy of Invitation for Bid (IFB)
 - Copy of IFB newspaper or other form of advertisement
 - Certified mail receipts from MBE/WBE firms
 - Minutes from public meeting where IFB's were opened
 - Copy of the bid tabulation sheet, certified by the project architect/engineer
 - Justification of selection
 - Award letter
 - Notification to unsuccessful bidders

1.2.6 Contract Development

- All Contracts
 - Copies of all consultant/contractor clearances (SAM.gov)
 - SAM registrations for all contractors/consultants (when applicable)
 - DUNS number for all consultants, contractors and sub-contractors
- Professional Services
 - Copy of Contract with the required federal contract provisions (outlined in the VIHFA Agreement)
 - Disclosure Report for each contract
- Construction – Related Services
 - Copy of Contract with the required federal contract provisions (outlined in the VIHFA Contract)
 - Copy of the Bid Guarantee
 - Copy of the Performance Bond
 - Copy of the Payment Bond
 - Copy of contractor(s) insurance policy
 - Disclosure Report for each contract
 - Documentation on all Change Orders
- Implementing Partner Files

- Copy of Subrecipient Agreement with the required federal contract provisions (outlined in the VIHFA Contract)
- Environmental Review documents
- Project detailed scope of work and mile stones
- Detailed Budget (sources and uses) and Expenditure information (including draw requests)
- Evidence of National Objective and Eligible Activity
- Duplication of benefits analysis
- Monitoring letters and correspondence
- Documentation of tie to storm
- Evidence of Technical Assistance
- Monthly Status Reports (MSR's)
- Monitoring reports and follow-up correspondence including resolution of findings or concerns

1.2.7 Section 3

- Section 3 Plan
- Documentation of all efforts to train/hire low-income residents of the project area
- Copies of all Section 3 Reports (HUD Form 60006)

1.2.8 Environmental Review Records (ERR)

- Environmental Review Record Checklist
- Scope of Work for Project/Activity
- Copy of environmental studies (e. g. archaeological surveys, etc.)
- Copy of all maps and drawings
- Copy of Request for Release of Funds
- Notification of publication for RROF and FONSI
- Release of Funds from HUD (Authorization to Use Grant Funds)
- Exempt and CENST Activity Project Classification
- Categorically Excluded Projects Subject To
- Assessed Activity Project Classification

1.2.9 Homebuyer Files

- General File
- Property File (per homebuyer assisted)

1.2.10 Housing Rehab Files

- General File
- Property File (per household assisted)

2.0 Implementing Partner Files

2.1 Application File

- Copy of Initial Scope and Budget Form
- Approved Detail Scope and Budget Form
- Subrecipient Agreement or Contract
- Subrecipient Agreement or Contract Amendments
- Authorized Signature for Request for Payment form
- All correspondence with VIHFA

2.2 National Objectives

Subrecipients must maintain records that funded activities meet one of the national objectives. Depending on the objective, the files must contain the specific documentation below. This documentation can also be used in reporting performance measures information.

- Low/Mod Area Benefit
 - Colored Map showing boundaries of service area
 - Justification of how the project is benefiting the determined service area
 - For service areas that are smaller than Island-wide, maps must include detail including street names
 - HUD approved Census data including total persons, number and percentage low/mod
 - Evidence area is primarily residential
 - Survey documentation (if applicable)
- Low/Mod Limited Clientele
 - Income verification of households (using the Section 8 definition) including source documentation
 - Documentation that the beneficiaries are low/mod or presumed to be low/mod (by category)
 - Documentation of income verification by another program where service is restricted to people with low/mod incomes
- Low/Mod Job Creation and Retention
 - Number of jobs created or retained
 - Type and title of jobs created or retained
 - Income Verification Forms of persons benefiting from the jobs created or retained
- Slum and Blight - Area
 - Map of Area designated with boundaries clearly defined
 - Documentation and description of blighted conditions (e.g., photographs, structural surveys, or development plans)
 - Resolution/Ordinance declaring area blighted under Territory laws
- Slum and Blight - Spot
 - Address of Property

- Documentation and description of blighted conditions (e.g., photographs, structural surveys, or development plans)
- Resolution/Ordinance declaring the property blighted under Territory laws
- Urgent Need
 - Documentation of threat to health and safety
 - Documentation of recent origin
 - Certification that other financing resources were unavailable and CDBG-DR had to be used (including ability to borrow, etc.)

2.3 Environmental Review Record (ERR)

- For all projects
 - Environmental Review Record Checklist
 - Scope of Work for Project/Activity
 - Copy of any environmental studies (e. g. archaeological surveys, etc.)
 - Copy of all maps and drawings
 - Copy of Request for Release of Funds
 - Release of Funds from VIHFA
- Exempt and CENST Activity Project Classification
 - Copy of the Certificate of Exempt/CENST Activity
 - Copy of Request for Release of Funds
 - Copy of Notice of Release of Funds Notification
- Categorically Excluded Projects Subject To
 - Copy of Environmental Review for CENST Activity
 - Copy of all Consultation letters and responses
 - Copy of the Notice of Intent to Request Release of Funds (NOI/RROF) advertisement
 - Copy of Floodplain Process documentation (if applicable)
 - Copy of Publishers Affidavit for NOI/RRO
 - Copy of the RROF Certification
 - Copies of any letters received in response to the NOI/RROF
 - Copy of Release of Funds Notification from VIHFA
- Assessed Activity Project Classification
 - Copy of Environmental Assessment Form
 - Copy of Environmental Assessment Checklist
 - Copy of all Agency/Interested Parties Consultation letters
 - Written determinations from relevant Partners (SHPO, DEP, Wetlands, etc.)
 - Copy of the “Combined Notice of Finding of No Significance”
 - Environmental Impact and a Request for Release of Funds
 - Copy of Publishers Affidavit for Notice
 - Copy of the RROF Certification
 - Request for Release of Funds (RROF)
 - Release of Funds (ROF)
 - Comments received pursuant to the ERR (if applicable)

2.4 Financial

- Copies of all Vendor/Subrecipient Invoices
- Certified timesheets to support personnel expenses
- Copies of all Claim Vouchers to VIHFA
- Copies of all Disbursement Checks
- Cash Receipts Journal
- Cash Disbursement Journal
- General Ledger
- Property Management Register

2.5 Procurement

- All Procurements utilizing CDBG-DR funds
 - Documentation of Cost Reasonableness Estimate for all procurements
- Supplies/Materials
 - Copy of Request for Quotation (RFQ) (email, telephone notes, etc.)
 - Documentation of Notice to DAS for M/WBE participation
 - Documentation of all quotes received
 - Justification of selection
- Professional Services
 - Copy of the Request for Proposal (RFP) or Request for Qualifications (RFQ)
 - Copy of the RFP/RFQ newspaper advertisement
 - Documentation of notification to DAS for M/WBE participation
 - List of companies who submitted Responses to Request for Qualifications or Proposals
 - RFP/RFQ evaluation and scoring documents
 - List of short-listed firms and documentation of interview process
 - Short-listed firms' evaluation and scoring documents
 - Justification for selection of contractor
- Construction and Related Services
 - Copy of Invitation for Bid (IFB)
 - Copy of IFB newspaper advertisement
 - Certified mail receipts from MBE/WBE firms
 - 'If Davis Bacon, must have wage determination as part of procurement docs
 - Minutes from public meeting where IFB's were opened
 - Copy of the bid tabulation sheet, certified by the project architect/engineer
 - Justification of selection

2.6 Contract Development

- All Contracts
 - Copies of all consultant/contractor clearances (SAM.gov)
 - SAM registrations for all contractors/consultants (when applicable)
 - DUNS number for all consultants, contractors and sub-contractors

- Professional Services
 - Copy of Contract with the required federal contract provisions (outlined in the VIHFA Agreement)
 - Disclosure Report for each contract
- Construction – Related Services
 - Copy of Contract with the required federal contract provisions (outlined in the VIHFA Assistance Agreement)
 - Copy of the Bid Guarantee
 - Copy of the Performance Bond
 - Copy of the Payment Bond
 - Wage determination
 - Section 3 contract language
 - FFATA requirements
 - Copy of contractor(s) insurance policy
 - Disclosure Report for each contract
 - Proof of the established Retainage Account (if applicable)
 - Documentation on all Change Orders, along with cost reasonableness evaluation

2.7 Payment File

- Copies of all Contractor/Consultant Invoices
- Copies of Payment Requests in Chronological order
- Approved Cost Summary (and revisions)
- Authorized Signature for Request for Payment form

2.8 Audit File

- Copy of Audit Reports
- Responses to Audit Findings (if applicable)
- Copy of VIHFA Acceptance or Disapproval letter
- Subrecipient response to VIHFA findings (applicable if audit was disapproved by VIHFA)
- Request for Proposal (RFP) for auditing firm

2.9 Acquisition and Relocation Files

Acquisition (See HUD Handbook 1378, Chapter 6 and Appendix 24)

A separate file must be maintained for each property acquired and must include:

- Property owner name and address
- Address of property to be acquired
- Copy of market estimate on property valued under \$10,000.00
- Copy of Appraiser's identification card (when applicable)
- Preliminary Acquisition Notice to Owner Invitation to the owner to accompany appraiser Appraisal Reports
- Review of Appraisal
- Copy of written purchase offer
- Purchase agreement
- Certification of voluntary acquisition
- Copy of donation/waiver forms (if applicable)

- The deed to the property to be acquired
- Certification that property did not have tenant and was owner occupied
-

Relocation (See HUD Handbook 1378, Chapter 6)

A separate file must be maintained for each household relocated and must include:

- A household survey, which should include the names, ages and demographic information of the household to be relocated
- A description of the nature of the advisory services offered, including the dates they were offered and any brochures or pamphlets explaining their rights
- Evidence of correspondence concerning the rights and payments available to displaced persons
- 90-day advance Relocation Notice (and evidence of delivery and receipt)
- 30-day Displacement (or Nondisplacement Notice if returning) Notice (and evidence of delivery) Evidence of at least three referrals to comparable units Inspection report on referral units
- Documentation on the type of payment made
- Evidence that payment was made (canceled check or the like)

2.10 Labor Standards

- Copy of Wage Determination Assignment Notice
- Copy of Wage Determination Lock-in Notice
- Justification of Wage Determination effective other than bid opening (if applicable)
- Copy of construction plans and specifications with appropriate labor standards documentation attached
- Copy of the Contractor/Subcontractor Verification form
- Copy of the Notice of Contract Award
- Copy of the construction-related contract(s) with the HUD 4010 form and Federal Construction Contract Provisions referenced or attached
- Copy of the Preconstruction Conference Notes
- Copy of contractor(s) fringe benefit programs
- Copy of any apprenticeship certification programs, if applicable
- Copy of Contractor(s) Certification form
- Copy of Subcontractor(s) Certification forms, if applicable
- Copy of all weekly certified payroll reports for contractor(s)/subcontractor(s)
- Copy of all employee interviews
- Copy of all correspondence related to submission of payrolls and/or compliance
- Documentation of any wage deficiencies and copies of restitution payments (if applicable)
- Copy of the Final Inspection/Project Completion report

2.11 Contractor File

- Copies of Payment Requests in chronological order
- Copies of all inspection reports, engineering logs, field notes

2.12 Reporting File

- Monthly Status Reports

2.13 Monitoring File

- Construction Closeout Checklist
- Construction Closeout Certification
- VIHFA monitoring letters
- Evidence of corrective actions in relation to VIHFA findings (if applicable)
- Certificate of Completion

3.0 Record Retention

All records for the CDBG-DR Program must be adequately protected and maintained to ensure that records that are no longer needed or are of no value, are discarded at the proper time.

VIHFA and all Subrecipients are responsible for maintaining all records pertinent to a CDBG-DR funded project, including supporting documentation, for three (3) years from the date VIHFA closes the CDBG-DR program with HUD in accordance with 24 CFR 570.490(d). Because this required record retention period is not an exact date or time period, VIHFA will notify Subrecipients when the program has been closed with HUD and include the end date of the record retention period.

VIHFA and all Implementing Partners will follow their normal agency or territory policies for all non CDBG-DR records.

4.0 Reporting Requirements

4.1 Quarterly Reporting

Monthly Status Reports (MSR's) will be used to assess program progress, timeliness and to justify needs. It is important because it provides the VIHFA with information that is required to be provided to the U.S. Department of Housing and Urban Development (HUD) on a quarterly basis. Therefore, reports must be submitted on time and accurately. Monthly reports will be required by the 10th of each month following the month that is being reported on (ex. January's report must be submitted by February 10th).

Submission of the required Monthly Status Report begins with the first report deadline after the Subrecipient receives project approval and continues until the Subrecipient has submitted the Final Monthly Status Report and the closeout forms. Payment requests will not be processed, and no additional funds will be awarded if Monthly Status Reports are delinquent.