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# *CITY OF LAS VEGAS*

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**Office of Community Services**

***PROCEDURAL MANUAL  
CDBG PUBLIC SERVICE PROGRAMS***

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## *Table of Contents*

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Acronyms

Getting Started

National Objective & Eligibility

Project Management

Zoomgrants

Fiscal Year

2- year Grant Funding

Subrecipient Agreements

Performance Measures

System of Award Management & Data Universal Numbering System

Determination of Client Eligibility

Identification Verification

Reimbursement Process

Reporting

Subrecipient Monthly Reports

Budget Modifications

Extensions & Carry-over of Funds

Compliance

Conflicts of Interest

Certificates of Insurance

Means of Purchase

Procurement

Record Keeping

Program Income

Audit Requirements

Monitoring

CDBG & HUD Resources

## List of Commonly Used Acronyms

ADA	Americans With Disability Act
AP	Action Plan
APR	Annual Performance Report
CAPER	Consolidated Annual Performance and Evaluation Report
CBDO	Community Based Development Organization (CDBG)
CDBG	Community Development Block Grant
CFR	Code of Federal Regulations
CLV	City of Las Vegas
CPD	(Office of) Community Planning & Development (HUD)
ER	Environmental Review
EEO	Equal Employment Opportunity
EIS	Environmental Impact Statement
EPA	Environmental Protection Agency
ESG	Emergency Solutions Grant
ESL	English as a Second Language
FHEO	Fair Housing Equal Opportunity
FY	Fiscal Year
GPR	Grantee Performance Report
HAMFI	HUD Adjusted Median Family Income
HCP	HUD Consolidated Plan
HOME	Home Investments Partnership Program
HOPWA	Housing Opportunities for People With Aids
HQS	Housing Quality Standards
HUD	(Department of) Housing and Urban Development
LIHTC	Low-Income Housing Tax Credits Program
MBE/WBE	Minority and Women Owned Business
MFI	Median Family Income

## List of Commonly Used Acronyms

MOU	Memorandum of Understanding
NAHRO	National Association of Housing and Redevelopment Officials
OCS	Office of Community Services
OMB	Office of Management and Budget
PHA's	Public Housing Authorities
RFP	Request for Proposal
RFQ	Request for Qualifications
RFF	Request for Funds
UEI	Unique Entity ID

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## *CDBG Public Service Procedural Management Guide*

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Welcome to the Community Development Block Grant Program!

This CDBG Public Service Procedural Management Guide summarizes the key considerations in the implementation of a CDBG-funded project. Now that you, the grantee, have been awarded Community Development Block Grant (CDBG) funding, it is important to take the next steps required to successfully carry out the stated National Objective of your project (Low-Moderate Income [Area-wide, Limited Clientele, Housing or Jobs], Slum & Blight, or Urgent Needs) and comply with the requirements established by the Department of Housing and Urban Development (HUD) for CDBG projects.

The City of Las Vegas is a CDBG Entitlement recipient of the U.S. Department of Housing and Urban Development (HUD). Our funds are allocated using an established formula and HUD places a 15% cap on the amount of funds, which may be utilized for Public Service Programs. These funds are obligated to meet HUD National Objectives.

While this Guide is intended to provide you the information you need to manage a CDBG project, you may encounter problems or have questions you do not find addressed here. Do not hesitate at any time to call the City of Las Vegas – Office of Community Services for additional assistance.

### **National Objective & Eligibility**

In order to be eligible for funding, every CDBG-funded activity must qualify as meeting one of the three national objectives of the program, as well as be an eligible activity. This requires that each activity, except those carried out under the basic eligibility categories of Program Administration and Planning and Capacity Building, meet specific tests for either:

- Benefiting low- and moderate-income persons (**Public Service projects**),
- Preventing or eliminating slums or blight, or
- Meeting other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community

Eligible Activities are identified specifically within the program regulations published in the Code of Federal Regulations as 24 CFR Part 570.

### **Project Management**

It is to the grantee's advantage to decide from the start who will manage the grant and the project and to clearly define the respective responsibilities. In managing the project, the grant administrator needs to have a general understanding of the Federal laws and regulations that apply to the CDBG program. For all projects, the grant administrator should keep in mind that procurement must follow 2 CFR Part 200- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Efforts should also be made to involve minority and women owned businesses in CDBG contracting opportunities as well as Section 3 residents.

### **ZoomGrants**

The City utilizes ZoomGrants ([www.zoomgrants.com](http://www.zoomgrants.com)) for application submission as well as program administration. Zoomgrants is an online submission software program and requires that all program documentation be submitted via the website. All required program documentation will be uploaded by the subrecipients to this system for review and processing.

### **Fiscal Year**

The City's fiscal year begins on July 1 and ends on June 30. Funding cycles are referred to as FY and then the year, ex. 2022 would be FY 22.

## **2-year Grant Funding**

This grant period cycle is a two-year period to include fiscal years 2022-2023 and 2023-2024. Evaluation of subrecipients first grant year will take place prior to the award for the second year of grant funding. These are performance-based contracts, which will review performance goals; financials and timeliness for recommendation of continued funding for a second year (see Performance Measures below).

## **Subrecipient Agreements**

Read through your City of Las Vegas agreement thoroughly & carefully and refer back to it when necessary. Agreements are effective July 1 – June 30 of each program year.

## **Performance Measures**

The City of Las Vegas has the option to renew the Agreement based on the subrecipient successfully meeting all agreement terms. The City of Las Vegas' intent to renew or not to renew the Subrecipient Agreement is contingent on assessing, in part the following performance measures(s):

- The subrecipient shall provide services or work, as applicable, and meet the program objectives summarized in Exhibit "A" (Scope of Work) in accordance with the provisions of the Agreement, relevant laws, rules and regulations, administrative program and fiscal guidelines, and where applicable, operating certificate for facilities or licenses for an activity or program. The Subrecipient shall assist 50% of their projected total clients by the end of the 2nd quarter of their contracts (December 31st) and 75% of their projected total clients by the end of the 3rd quarter of their contract (March 31st).
- The Subrecipient shall provide complete and accurate request for funds to the City in order to receive payment. Request for Funds, Exhibit "C", submitted to the City must contain all information and supporting documentation required by the Request for Release of Funds Checklist, Exhibit "F".
- The subrecipient shall submit Request for Funds by the 15th day of the month following the month in which services were provided.
- The subrecipient shall submit Monthly Reports by the 15th of the month following the month in which services were provided.
- The Subrecipient shall attend at least (1) capacity building training provided by the City of Las Vegas during each fiscal year period and at least (1) fair housing training within the 2 year funding period.
- The subrecipient shall spend 50% of their allocated funds by the end of the 2<sup>nd</sup> quarter of their contract (Dec 31) and 75% of their allotted funds by the end of the 3rd quarter of their contract (March 31).

## **System of Award Management (SAM) & Unique Entity ID (UEI)**

The Subrecipient is required to register with the System of Award Management (SAM) and have an active registration in SAM in accordance with 24 CFR 5.004 and 2 CFR part 25.310. The Subrecipient is also required to obtain a Unique Entity ID (UEI), which will be provided by sam.gov, in accordance with 2 CFR 25.315. Registration is free & must be updated annually.

<https://sam.gov/content/home>

## **Determination of Client Eligibility – Income**

Subrecipients must use specific procedures to verify that assisted persons/households are income-qualified to benefit from assistance. For detailed information, consult the Technical Guide for Determining Income and Allowances for the HOME Program, Third Edition, January 2005, available from HUD. This document may be found here.

<https://files.hudexchange.info/resources/documents/HOMEGuideForIncomeAndAllowances.pdf>

The CPD Income Eligibility Calculator, an interactive tool for determining income eligibility, can also be found here:

<https://www.hudexchange.info/incomecalculator/>

An income determination must be completed before assistance begins. Verification of income eligibility is valid for twelve (12) months only. The verification must be updated if more than twelve (12) months transpires from the initial verification. Households must qualify as low income at the time of program intake.

Below are the most common sources of income the client must provide:

- Most recent **2 months'** worth of pay check stubs
- Annual wage statement (W-2) or 1040 tax return
- A letter from his/her employer certifying their employment and wages (this will happen when the client has started a new job)
- Current or active Unemployment Compensation must be a statement from DETR or a screenshot of the account
- Social Security Disability (SSDI) or Social Security Income (SSI) benefit letter
- Zero Income Certification – each household member 18 years and older must sign an individual form when they have no sources of income

### **Determination of Client Eligibility – Address/Location**

Assisted clients must reside within the Las Vegas City Limits. Subrecipients should use the Clark County Assessors website (link below) to lookup the address and verify its location within the city limits and not the unincorporated areas of Clark County. You can also use the Find Your Ward portal (link below).

<https://maps.clarkcountynv.gov/assessor/AssessorParcelDetail/site.aspx>  
<https://www.lasvegasnevada.gov/Government/Elections/Find-Your-Ward>

### **Identification Verification**

The City of Las Vegas requires that the subrecipient obtain a photocopy of the eligible beneficiary's identification unless there is other government issued documentation, i.e. Medicaid correspondence, TANF confirmation letter, etc., whereby the identity of the beneficiary is proven. In the event an agency does not collect said information for the client file, it may satisfy this requirement with an Identification Certification Form signed by the staff member who reviewed the information along with the signature of the Chief Executive Officer or Executive Director, stating that they reviewed the id for verification of identity, age and address.

### **Reimbursement Process**

Request for Funds (RFF) forms are used for the subrecipient to receive reimbursement for the program costs as stated in the budget and approved in the Agreement. Exhibit "C"-Request for Release of Funds, Line Item Expense Form, Profit & Loss Statements and all supporting reimbursement documentation for payment must be uploaded into Zoomgrants by the 15<sup>th</sup> of each month. A RFF Checklist is included in your annual CLV Agreement that lists all required documents to be submitted with the monthly RFF packet.

All costs shall be recorded by budget line items and be supported by properly executed payrolls, signed time records, invoices, contracts, or vouchers, or other official documentation evidencing in proper detail the nature and propriety of the charge. Timesheets must capture actual time spent on all programs and be signed by the employee, as well as a supervisor. All checks, payrolls, invoices, contracts, and vouchers, orders or other accounting documents pertaining in whole or in part to the Agreements, shall be thoroughly identified and readily accessible. Backup documentation must include the following items to verify proof of payment: copy of the front and back of cancelled

checks, downloaded check copies from your bank's website, or bank statement and matching invoice or receipt.

### **Subrecipient Monthly Reports**

Subrecipients are required to submit monthly status reports, this report must be received by the 15<sup>th</sup> of the month, along with the RFF's and submitted in Zoomgrants. These reports should document the program status during that specific monthly period. The reports serve three main purposes; 1. Enable the grantee to track the progress of the project; 2. Assist the Office of Community Services in following the project's progress; 3. Provide required information that is reported to HUD. Reports can provide an early indication of any problems that might be developing with a project. Early attention to potential problems may help avert or lessen the degree of the problem. Reports help all involved in the project to monitor the progress and accomplishments of the project. At the federal level, the reports help evaluate the CDBG program and assess how national objectives and eligible activities are met. If necessary, CDBG staff members may request additional reports.

### **Budget Modifications**

Budget Modifications are required whenever the original approved budget is adjusted at all. This includes the addition of salary positions or the adjustment to specific budget categories. Please submit a Budget Modification Request to your Grant Program Coordinator to be approved by the Office of Community Services. Once complete, the approved or denied signed Budget Modification will be uploaded into Zoomgrants for the subrecipients review and records. Please be sure to adjust your "Exhibit C – Request for Funds" budget category amounts after a modification approval.

The final date that a Budget Modification can be submitted to the City is May 31<sup>st</sup> of the program FY. This allows time for review and approval and the implementation of the modification by the subrecipient before the program end date of June 30<sup>th</sup>.

### **Extensions & Carry-Over of Funds**

All funds MUST be expended by June 30. CDBG Public Service funds cannot be carried over or extended. After the completion of year-end accounting, all unspent funds are credited to the CDBG Capital Improvement Project's funding account or any other eligible activity and forfeited by the granted subrecipient.

### **Compliance**

Your Agreement lists several federal regulations related to civil rights, equal opportunity and fair housing. These regulations mandate that no person in the United States shall, on the grounds of race, color, national origin, religion, creed, age, sex, disability, familial status, political affiliation, citizenship, gender identity, or sexual orientation be denied benefits or be subjected to discrimination under any program funded in whole or in part with federal funds. By signing your contract, you certify that you will comply with the laws listed. While some of the civil rights and fair housing regulations simply prohibit discrimination, others require you to take some affirmative steps or action.

- ***Equal Employment*** – Executive Order 11246, as Amended prohibits discrimination against any employee or applicant because of race, color, religion, sex or national origin.
- ***Equal Opportunity in Housing*** – Executive Order 11063, as amended by Executive Order 12259, prohibits discrimination against individuals on the basis of race, color, religion, sex or national origin in the sale, rental, leasing or other disposition of residential property, or in the use or occupancy of housing assisted with federal funds.
- ***Fair Housing*** - Title VIII of the Civil Rights Act of 1968 and Title I of the Housing and Community Development Act of 1974 require that recipients take some action to affirmatively further fair housing in their communities.
- ***Title VI of the Civil Rights Act of 1964*** - States that no person may be excluded from participation in, denied the benefits of, or subjected to discrimination under any program or activity receiving federal financial assistance on the basis of race, color or national objective.



- **Age Discrimination Act of 1975** – Prohibits age discrimination in programs receiving federal financial assistance.
- **Americans with Disabilities Act** – Provides comprehensive civil rights to individuals with disabilities in the areas of employments, public accommodations, state and local government services and telecommunications.
- **Limited English Proficiency Requirements** – Executive Order 13166, Assess and address the needs of otherwise eligible persons seeking access to federally conducted programs and activities who, due to LEP cannot fully and equally participate in or benefit from those program and activities.
- **Soliciting Minority/Women Business Enterprises** - Executive Orders 11625, 12432 and 12138 generally require recipients to make every effort to solicit the participation of minority and women business enterprises (MBE/WBE) in their projects. Recipients must specify the outreach actions they will take to ensure the inclusion, to the maximum extent possible, of minorities and women and entities owned by minorities and women, in all contracts.
- **Section 504 of the Rehabilitation Act of 1973 / Americans with Disabilities Act** - Section 504 and the ADA require accessibility of CDBG projects to persons with disabilities. The law requires that new facilities assisted with federal funds be designed and constructed to be readily available to and usable by individuals with disabilities. Alterations to existing (non-housing) facilities shall, to the maximum extent feasible, be made to be readily accessible to and usable by individuals with disabilities. For existing (non-housing) facilities, recipients shall operate programs and activities receiving CDBG assistance so that the program or activity, when viewed in its entirety, is readily accessible to and usable by individuals with disabilities.

### **Conflicts of Interest**

Subrecipients must avoid conflicts of interest. In the procurement of property and services, 2 CFR 570.611 regarding conflicts of interest apply. In all cases not governed by those rules, conflicts of interest are not permitted. If a person is an employee, agent, consultant, elected official or appointed official of a recipient or subrecipient of CDBG funds and has project-related responsibilities or access to inside information, he or she may not obtain a financial benefit or interest from the project for himself or herself or those with whom he or she has family or business ties during his or her tenure or for one year thereafter.

### **Certificates of Insurance**

The Subrecipient must provide compliant certificates of insurance and required endorsements to the City's designated certificate tracking service immediately upon request. The Subrecipient shall maintain coverage for the duration of this Agreement, and any renewal periods if applicable. The Subrecipient shall annually provide the City's designated certificate tracking service with a certificate of insurance and endorsements as evidence that all insurance requirements have been met. A certified, true and exact copy of each of the project specific insurance policies (including renewal policies) required under this Section shall be provided to the City or its designated certificate tracking service if so requested. Subrecipient shall comply with the insurance requirements in the City of Las Vegas Public Service Agreement and 2 CFR 200.310, as well as the procurement and bonding requirements of 2 CFR 200.317-200.326.

The Subrecipient and/or insurance carrier shall provide the City with a 30-day advance notice of policy modification, cancellation or erosion of insurance limits, sent to the City's designated certificate tracking service. Any exclusion to the effect that the insurance carrier will "endeavor to inform" must be stricken from the certificate of insurance.

### **Means of Purchase**

Subrecipient entities should have written procurement policies that that will be reviewed by the OCS Department. The three means of purchase are:

- Petty Cash – Quick & Easy payment of small purchases.

- Purchase Order – Intended for purchases that are beyond petty cash limits, but not of such nature to require a separate formal contract.
- Formal Written Contracts – Necessary when the complexity of the procurement makes it prudent to have a detailed, written, binding document. Types of contracts include;
  - 1) Fixed Price – preferred type of contract, requires a contractor to deliver the product or service at a specified price.
  - 2) Cost Reimbursement – Used to limit the costs being reimbursed & determined by a ratio established at the time of contract.
  - 3) Indefinite Quantity Contracts – may be used to set the basic parameters of a larger contract and add work items as needed.

### **Procurement**

CDBG recipients must comply with the federal procurement requirements of 2 CFR Part 200. These regulations direct that all supplies, equipment, construction and services be acquired efficiently and economically, through open and fair competition. You must use sound business judgment, not only in the acquisition of supplies, equipment, construction and services, but also in the settlement of all contractual and administrative issues, protests, disputes and claims. As required by 2 CFR 200.318, recipients must adopt a written procurement policy and a code of conduct.

Recipients must ensure nondiscrimination in the solicitation and award of contracts funded in whole or in part with CDBG funds, including nondiscriminatory advertising and distribution of solicitations, nondiscriminatory bid specifications or evaluation criteria and nondiscriminatory awards of contracts. Recipients and subrecipients also must take affirmative steps to use small businesses and minority- and women-owned businesses when possible as sources of supplies, equipment, construction and services.

### **Record Keeping**

The CDBG regulations at 2 CFR 570.506 categorize the types of records a subrecipient receiving CDBG funds must keep. The subrecipient is required to keep adequate records in order to document the compliance with the applicable laws and regulations and completion of all required reports throughout the life of the grant project. The record keeping system should be accessible, complete, accurate and monitor-friendly, and include an historical account of the grant activities for review by City and HUD staff members. During the life of the project, the subrecipient's files must be kept where they are readily accessible. Once a grant is closed, the records must be kept for a period of five years from the date of the City of Las Vegas - CDBG project closeout.

### **Program Income**

Program income refers to income a recipient receives that is directly generated by the use of CDBG funds. Program income also includes funds generated by the use of other program\_income. Examples of program income include the following:

- Payments of principal and/or interest on loans made using CDBG funds (or program income funds);
- Proceeds from the disposition by sale or long-term lease of real property acquired, rehabilitated or constructed with CDBG funds (or program income funds);
- Interest earned on funds held in a revolving loan account; and
- Interest earned on program income pending its disposition.

### **Audit Requirements**

This Agreement is also subject to requirements of United States' Office of Management and Budget (OMB) 2 CFR Part 200, Subpart F, "Audit Requirements".

This Agreement is subject to an OMB A-133 Audit pursuant to the Single Audit Act. Effective December 26, 2014, the Office of Management and Budget requires that grant recipients who expend \$750,000 or more in Federal funds during a one year period, conduct an A-133 audit.

Per City policy, any agency with annual revenue between \$200,000 through \$749,999 will be required to have a CPA Audited Financial Statement that is submitted to the City. The funds expended may be from one or multiple federal sources.

Subrecipients with annual revenue less than \$199,999 must submit an Annual Certified Financial Statement (ACFS), in addition to their IRS stamped copy of their most recent IRS 990 form. Annual Certified Financial Statements (ACFS) must be certified (signed and dated) by the Treasurer and the Board President; must be submitted each year no later than 9 months after the close of the fiscal year and must include a balance sheet and profit and loss statement.

All Subrecipients must submit a full and complete copy of their current audit into ZoomGrants no later than nine (9) months after the close of the fiscal year. It is the responsibility of the Subrecipient to ensure that audits are completed in a proper and timely manner. Failure to submit copies will render the Subrecipient as non-compliant. This means that no funds may be drawn until the City of Las Vegas OCS has received and reviewed the copy of the audit. Failure to remedy any outstanding audit findings will result in the delay and/or suspension of further reimbursement(s) until as such time that the findings are corrected to the satisfaction of the City. This may lead to reprogramming of the CDBG funds.

### **Monitoring**

Monitoring is the primary tool that the Office of Community Services (OCS) uses to measure grant subrecipient compliance with federal, state, and local regulations, as well as additional requirements identified in the subrecipient's agreement with the City. The process helps measure overall performance of the grants. The monitoring visit will go more smoothly if you have kept good records from the very beginning, documented the progress of the project, as well as the actions you have taken to satisfy the various federal requirements. The subrecipient is responsible for ensuring that all activities comply with all Federal and state regulations. Monitoring may consist of Desk Audits, Site Visits, Programmatic and Financial reviews. Audits must be reviewed for deficiencies and discussed with the subrecipient.

*Desk Audits:* Every time a subrecipient submits a Request for Funds, a desk audit is conducted. This simply means that the Grant Program Coordinator verifies all information and if any questions arise, the subrecipient is contacted. The Grant Program Coordinator may also ask the subrecipient to submit a sample of client files so that a Desk Audit may be completed on them to determine accuracy of intake processes, location determination & income eligibility.

*Site Visits:* Involves annual, on-site visits with subrecipients but also includes monthly financial reviews, as well as client file desk audits. During the on-site monitoring visits, the City analyzes the agency's financial documentation, reviews programmatic case files, meets with essential agency personnel, and tours any applicable facilities/projects as part of the monitoring process.

*Programmatic:* This ensures that the contract between the City and the Subrecipient is followed, and the non-profit is actually doing what it said in the original application, with any changes agreed to prior to contract execution. The recipient activities are also compared to the CDBG Regulations, as well as the City's policies and procedures.

*Financial:* The subrecipient must follow certain guidelines, rules and regulations as they relate to financial responsibilities. This component is gone over in detail in the program manual.

### **CDBG & HUD Resources**

Be sure to register for notifications through HUD Exchange and check out the HUD Exchange website for valuable resources.

<https://www.hudexchange.info/>

***Playing by the Rules: A Handbook for CDBG Subrecipients***

<https://www.hudexchange.info/resource/687/playing-by-the-rules-a-handbook-for-cdbg-subrecipients-on-administrative-systems/>