



Special Attention of:

NOTICE: CPD–2023-08

All Regional Office Directors

Issued: September 12, 2023

All Field Office Directors

Supersedes: Notice CPD-22-11

All CPD Division Directors

This Notice is effective until it is amended, supersede, or rescinded.

SUBJECT: Implementing Risk Analyses for Monitoring Community Planning and Development Grant Programs in FY 2024

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I. Purpose

The purpose of this Notice is to provide a consistent methodology for conducting risk analyses for Community Planning and Development (CPD) formula and competitive grantees¹ and establish monitoring priorities within available resources. This risk analysis process has been incorporated into CPD’s Grants Management Process Reporting (GMP-R) system, a computer-based information system which is used to provide a documented record of conclusions and results.

This Notice reflects a risk analysis methodology that was implemented by Notice CPD-22-11, published October 7, 2022. The methodology was developed by a CPD working group in collaboration with the Office of the Chief Risk Officer, that considered risk factors, subfactors, and symptomatic causes in program performance. The methodology CPD utilizes is designed to best identify risk, utilize a streamlined process, and ensure consistency across reviews through the integration of available performance data from grant reporting systems, and use, to the greatest extent feasible, subfactors which can be auto-populated using data extracted from existing information technology systems available to CPD. This Notice incorporates minor revisions to CPD’s risk analysis policies and procedures to facilitate greater flexibility in the execution of CPD’s monitoring obligations and includes revisions to better align risk predictors across program areas.

This Notice is intended to augment the Departmental policy contained in Handbook 1840.1, *Departmental Management Control Program*, which requires the development of risk-based rating systems for all programs, and Handbook 6509.2, *Community Planning and Development Monitoring Handbook*, which establishes standards and provides guidance for monitoring CPD Programs. The major steps for implementing risk-based monitoring include:

- Developing risk-based rating systems to evaluate all program grantees;
- Rating and selecting grantees for monitoring;
- Identifying program risks and setting monitoring objectives; and
- Documenting the process and recording the rationale for choosing grantees to be monitored.

¹ The terms “program participant,” “grantee,” “participating jurisdiction” (PJ), and “recipient” all refer to the entity that receives the Federal award directly from HUD and are used interchangeably in this Notice.

Each CPD Field Office will perform the risk analysis using the methodology described in this Notice. The Evaluator (e.g., CPD Representative, Financial Analyst, or CPD Specialist) and Management Representative (e.g., CPD Director, Program Manager) have specific responsibilities for risk analysis review and information update for each grantee.

II. Background

The Office of Field Management (OFM) Director establishes the completion dates for risk analysis and monitoring work plans each fiscal year. Each CPD Field Office is responsible for completing risk analysis reviews and for developing a monitoring work plan encompassing CPD grantees and programs to be monitored during the fiscal year. The monitoring work plan documents the CPD Field Office decisions regarding where to apply staff and travel resources for monitoring, training, and/or technical assistance. Using the monitoring work plan, CPD Field Offices will develop individual grantee monitoring strategies to define the scope, focus, and appropriate level of monitoring for selected CPD grantees, consistent with identified risk and available resources. The CPD Field Office includes the final individual grantee monitoring strategy in the Monitoring Notification Letter that is sent to the grantee.

Risk analysis provides the information needed for CPD to effectively target its resources to grantees that pose the greatest risk to the integrity of CPD programs, including identifying the grantees it will monitor on-site or remotely, and the program areas it will cover. The selection process identifies those grantees and activities that represent the greatest vulnerability to fraud, waste, abuse, and mismanagement.

III. Frequency of Risk Analysis

This Notice reflects an assessment period which is annual or bi-annual, as established by the OFM Director, and provides policy guidance for fiscal years 2024 and beyond, until superseded by further guidance.

IV. Applicability

CPD Field Offices will apply the risk analysis process to the formula and competitive grant programs listed below, including programs funded under the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136) (CARES Act). Additionally, the Neighborhood Stabilization Programs (NSP-1, NSP-2, and NSP-3 grant programs) will remain combined regarding the use of the Attachment A-3 risk analysis worksheet. Also, the Community Development Block Grant-Disaster Recovery (CDBG-DR) assistance (including CDBG National Disaster Resilience (NDR) and CDBG Mitigation (MIT) funds) remains in this Notice for two reasons: first, to provide further guidance to the CPD Field Offices on how to evaluate risk with CDBG-DR grants; and second, to provide a consistent risk analysis tool for all CDBG-

DR grants, irrespective of whether they are managed by the CPD Field Offices or by Headquarters.² CDBG-DR reviewers will use the Attachment A-2 risk analysis worksheet.

Programs Assessed

- Community Development Block Grant Program (CDBG)
- HOME Investment Partnerships Program (HOME)
- Emergency Solutions Grants Program (ESG)
- Housing Opportunities for Persons with AIDS Program (HOPWA)
- Housing Opportunities for Persons with AIDS Program Competitive (HOPWA-C)
- Continuum of Care (CoC)
- Neighborhood Stabilization Programs (NSP 1, 2, and 3)
- Section 8 Single Room Occupancy Moderate Rehabilitation (SRO)
- Community Development Block Grant Disaster Recovery (CDBG-DR, including CDBG-NDR and CDBG-MIT funds)
- Community Development Block Grant-CARES Act (CDBG-CV)
- Emergency Solutions Grants Program-CARES Act (ESG-CV)
- Housing Opportunities for Persons with AIDS Program-CARES Act (HOPWA-CV)
- Housing Opportunities for Persons with AIDS Program Competitive-CARES Act (HOPWA-C-CV)
- Recovery Housing Program (RHP)
- Housing Trust Fund (HTF)

V. Risk Categories and Criteria

All CPD program risk analyses use standardized factors and a quantifiable rating system. Risk analysis factors are consistent with the Departmental factors outlined in the *HUD Monitoring Desk Guide: Policies and Procedures for Program Oversight*, available here: https://www.hud.gov/sites/documents/DOC_35339.PDF.

Program risk subfactors used for each risk factor include the areas listed below with some variation among the CPD programs, based on each program office's specific determinants of risk.

1. Grant Management
 - a. Reporting
 - b. Staff Capacity
 - c. Program Complexity
 - d. Monitoring / Audit History and Findings (CPD, OIG, DEC)
 - e. Management of Subrecipients
2. Financial Management
 - a. Audits Required by 2 CFR § 200.501
 - b. Staff Capacity for Financial Compliance

² CDBG-DR grants managed by HQ are maintained by the Office of Disaster Recovery (ODR). For the purpose of this notice, ODR is considered the Field Office for those grants managed by the Division.

- c. Repayments
 - d. Grant Amount
 - e. Program Income
 - f. Expenditures / Disbursements
3. Services & Satisfaction
- a. Citizen Complaints / Negative Media Exposure / Responsiveness
4. Physical
- a. Physical Condition of Properties

Note: Factor 4, Physical, only applies to the worksheets for HOPWA, HOPWA-C, HOPWA-CV, and HOPWA-C-CV (Attachment A-6). CDBG-DR, CDBG-NDR, and CDBG-MIT (Attachment A-2) include a Factor 4, which reflects Project-Specific Risk, instead of Physical Condition of Properties.

VI. Risk Analysis Process

CPD Field Offices will perform the risk analysis review and rating process for all covered grantees/grants in their portfolio, as defined by the OFM Director. When evaluating each grantee against program risk criteria, the Field Office will record and document the results in the GMP-R system.

Risk Analysis consists of two steps:

1. Rating:
 - Extracting data for system-driven risk factors;
 - Incorporating assessment and rating of factors by the Evaluator; and
 - Reviewing results by Management.
2. Ranking & Selecting:
 - Generating ranking of grantees by risk score, from highest to lowest;
 - Determining monitoring exceptions; and
 - Certifying results.

The results of this two-step process provide the basis for developing the Field Office monitoring work plan and individual grantee monitoring strategies. This includes identifying which grantees will be selected, method of monitoring (on-site or remote), programs and areas to be monitored, areas of technical assistance and training needed, resources needed, and projected timeframes.

Step 1 – Rating Grantees

Evaluator

Using a combination of data extracted from grant reporting systems and information available from other sources, the Evaluator will review and rate each program by a grantee. Each factor and its relevant subfactors are assigned a level of risk: high, medium, or low. Evaluator reviews

are conducted by completing the applicable Risk Analysis Worksheets (Attachments A-1 through A-11) in GMP-R.

The risk analysis process begins with a review of each grantee against each subfactor. Certain subfactors are auto-populated, or assigned a score of high-, medium-, or low-risk based on data available from grant reporting systems. Support data for auto-populated fields will be displayed in the comment field. Other subfactors are not auto-populated, and the Evaluator must assign a risk score based on information readily available from other sources. In completing this review, various sources of information are used, including data obtained from the Integrated Disbursement and Information System (IDIS), Disaster Recovery Grant Reporting System (DRGR), e-SNAPS, Annual Progress Reports (APRs), CAPERS and PERs, prior monitoring visits, audits, and citizen complaints. Special attention should be given to recent audits with findings, compliance with program expenditure requirements established by the Department, and fair housing/civil rights issues, including those raised in any fair housing or civil rights complaints, investigations, compliance reviews, letters of finding, charges, cause determinations, and Justice Department lawsuits.

CPD Field Offices evaluate CPD formula and competitive programs using applicable criteria outlined in Attachments A-1 (for CDBG), A-2 (for CDBG-DR, including -NDR and -MIT), A-3 (for NSP1, 2, and 3), A-4 (for HOME), A-5 (for ESG), A-6 (for HOPWA, HOPWA-C, HOPWA-CV, and HOPWA-C-CV), A-7 (for CDBG-CV), A-8 (for ESG-CV), A-9 (for RHP), A-10 (for HTF), and A-11 (for CoC and SRO). CPD Field Offices evaluate a grantee using criteria for each program type it administers per the specific attachments listed above. For example, if a grantee administers CDBG and CDBG-CV programs, the grantee's risk will be evaluated for each program separately: one analysis for CDBG and one analysis for CDBG-CV. If a grantee administers HOPWA programs, then grantee's risk evaluations will use Attachment A-6 for each individual HOPWA program type (i.e., HOPWA, HOPWA-C, HOPWA-CV, and HOPWA-C-CV). For example, if a grantee administers HOPWA and HOPWA-CV, the Evaluator will complete Attachment A-6 for HOPWA and a separate Attachment A-6 for HOPWA-CV.

Special instructions for NSP grants: Attachment A-3 will be used to review all the NSP grants a grantee may have. NSP-2 is on the competitive side of GMP-R and NSP-1 and NSP-3 are on the formula side of GMP-R. If a grantee received an NSP-1 and/or NSP-3 allocation and additionally received an NSP-2 allocation, Attachment A-3 will be completed twice: once to include NSP-1 & NSP-3 combined (on the formula side) and once to include NSP-2 (on the competitive side).

Management Review

After the Evaluator has completed documenting the risk analysis results for each grantee, a Management Representative begins the review and completes the certification in GMP-R. The role of the Management Representative is to provide quality control to ensure validity and consistency through an assessment of each Evaluator's ratings and comments. The Management Representative will ensure that any updates are entered into the GMP-R system.

Step 2 – Grantee Ranking and Selection

Grantee Ranking

After all information has been entered into GMP-R, the automated system provides the results in a Risk Analysis Summary Report for formula and for competitive grantees (except for CDBG-DR grantees managed by the Office of Disaster Recovery (ODR) Division, whose results will be available in the DRGR Summary in GMP-R). Grantees will be ranked in descending order on the Risk Analysis Summary Report in GMP-R, from highest average risk score to lowest average risk score. The Management Representative will then begin the grantee selection and exception process, utilizing the Risk Analysis Summary Report and Field Office Monitoring Plan Module in GMP-R.

Grantee Selection

CPD Field Offices will make grantee selections based upon the numerical goal assigned by the OFM Director.

After separately ranking formula and competitive grantees, the Management Representative will then determine its grantee selection method and begin the exception process, as documented in the GMP-R Risk Analysis Summary Report. After the exception process is complete, the Management Representative will indicate its selections in the Field Office Monitoring Plan Module in GMP-R. This constitutes the Field Office monitoring work plan.

CPD Field Offices have two methods available for selecting grantees:

- (1) The **100% Option**: Select 100% of grantees in risk rank order; or
- (2) The **70/30% Option**: Select the first 70% of the grantees in risk rank order, with the remaining 30% being selected at the discretion of the Management Representative.

Any grantee with an average risk score of 51 or higher and/or a program score(s) of 51 or higher identified within the rank order must be selected unless an eligible exception can be applied.

In addition, selecting a limited number of non-high-risk grantees (either due to the risk score results or through discretionary monitoring selections) can serve to validate the soundness of the rating criteria as well as possibly detect early warnings of potentially serious problems.

Applying Exceptions

The Management Representative will determine whether any grantee meets an exception based on five exception categories identified below. CPD Field Offices have two possible methods for selecting grantees, as identified in the **Grantee Selection** section above. A grantee cannot be excepted from selection without the CPD Field Office identifying an appropriate exception. The five exceptions included in GMP-R consist of the following:

- **A** – The Office of Inspector General is currently conducting an audit of the high-risk grantee and/or high-risk program(s);
- **B** – High-risk grantee and/or high-risk program(s) were monitored within the last three years;
- **C** – Grantee will be provided technical assistance;
- **D** – The grantee’s HUD grant program is selected to be monitored as a discretionary selection; and
- **X** – Other.

Management Representatives will review all grantees within the rank order and determine whether a grantee and program will be selected for review or whether an exception code applies. For grantees within the rank order determined to be high-risk or to contain a high-risk program(s), the management representative must either select the grantee and program(s) for review or identify a valid exception code. Management Representatives will annotate the exception codes on the Risk Analysis Summary Report.

Special Instructions for Utilizing Exception Code D (Discretionary Monitoring)

Exception Code D (Discretionary Monitoring) applies to specific circumstances when a grant program is selected to be monitored as a discretionary selection. If the CPD Field Office selects the 70/30% grantee selection method outlined above, the Management Representative must use applicable exceptions when determining the 70% of grantees that are in rank order. For the 30%, the Management Representative must use Exception Code D to document the grantee and HUD grant program selected for discretionary monitoring.

Special Instructions for Utilizing Exception Code X (Other)

Exception Code X should only be used to document selections based on the descriptions provided below. A CPD Field Office may use Exception Code X (Other) to document specific circumstances when grant programs will not be monitored in the current fiscal year:

- when two or more grant programs are assessed high risk, but not all of the high-risk programs require monitoring in the current fiscal year because one or more of the high-risk programs were monitored during the last three years;
- to identify the specific high-risk program(s) for which the Office of Inspector General is conducting an audit, when the OIG is not conducting a full review of all of the programs;
- to except a medium/low risk grantee when there are no high-risk programs; and
- to document other extenuating circumstances which provide good cause to except a grantee or grant program from monitoring.

When a CPD Field Office applies Exception Code X (Other), the specific circumstances must be documented. Examples of how to document Exception Code X (Other) are provided as follows:

- CDBG and HOME grant programs were assessed high-risk, but HOME was monitored in the last three years; CDBG will be monitored this fiscal year.
- The OIG is conducting an audit of the HOME program; however, CDBG will be monitored this fiscal year.

- This medium/low-risk grantee will not be monitored this fiscal year.

Additional Considerations

- Depending on the availability of travel resources, weather conditions, mandatory pandemic-related work from home, and operational limitations, CPD Field Offices can use remote monitoring as an alternate to on-site monitoring.
- Although CPD Field Offices use risk analysis as their primary monitoring basis, they may also identify other areas needing special emphasis during monitoring based on national program reviews and evaluations by Congress, the U.S. Office of Management and Budget (OMB), or the HUD OIG.

VII. Individual Grantee Monitoring Strategy

The CPD Field Office will incorporate risk areas identified during the risk analysis process into the grantee's individual grantee monitoring strategy. Strategies will also identify monitoring Exhibits that CPD Field Offices plan to use during monitoring (see CPD Monitoring Handbook: https://www.hud.gov/program_offices/administration/hudclips/handbooks/cpd/6509.2). When developing individual monitoring strategies, CPD Monitoring Handbook Exhibits will be selected based upon the areas of risk identified by grantee and applicable program(s). CPD Field Offices will document all individual grantee monitoring strategies under the Work Plan Module in the GMP-R system. Chapter 2, paragraph 2-5A of the CPD Monitoring Handbook, provides guidance on the development of grantee monitoring strategies. Whether monitoring is conducted remotely or on-site, the development of an individual, written monitoring strategy is needed to define the scope and focus the monitoring efforts. It identifies:

1. the HUD grant program(s), grantee projects/activities, and functional areas to be reviewed, including a brief discussion of the high-risk factor(s) identified through the risk analysis process;
2. data or information to be submitted by the program participant prior to monitoring (if any);
3. the names of any participant staff members who will need to be consulted during the monitoring;
4. anticipated staff who will conduct the monitoring (e.g., CPD Representatives and, if participating, any Specialists);
5. clearly defined areas of responsibilities for each reviewer (to avoid duplication) if more than one staff person will be conducting the monitoring;
6. a schedule for carrying out the monitoring tasks and the anticipated time frames;
7. required resources (e.g., travel funds if on-site; time needed, if remote); and
8. the planned *CPD Monitoring Handbook 6509.2* Exhibits that are selected based upon the areas of risk identified by grantee and program.

Timely and concise written documentation of the grantee monitoring strategy is an important tool for management use in assessing planned grantee actions against accomplishments.

VIII. Recordkeeping

Each CPD Field Office must document and be able to justify its ranking and management decisions relative to grantee and program selection for monitoring. The documented results to be recorded in GMP-R (with any exceptions noted) consist of:

- Grantee Risk Analysis Worksheets (Attachments A-1, A-2, A-3, A-4, A-5, A-6, A-7, A-8, A-9, A-10 and A-11) that provide criteria for evaluation of grantee risk by program area, evaluation comment, and electronic certification.
- Risk Analysis Summary Report for formula and competitive grantees, with exception codes identified.
- Field Office Monitoring Plan module, where the Field Office Management Representatives will notate grantees and programs selected for monitoring, separately for formula and competitive grantees. This constitutes the Field Office monitoring work plan.

IX. Work Plans

As a result of assessing those grantees that pose the greatest risk and program areas in need of improvement, an annual work plan will be developed in accordance with the guidance provided in Chapter 2 of the CPD Monitoring Handbook 6509.2. This work plan must be documented into GMP-R under the Work Plan Module and include the identification of:

- Grantees scheduled for monitoring.
- The programs or functions to be monitored (including, for example, lead-based paint, Section 3, and relocation reviews).
- Method and Type of monitoring, e.g., on-site, or remote.
- Scheduled timeframes for monitoring; and
- Resources needed, such as staff, travel, etc.

Work plans also include:

- Technical assistance and training to be provided to grantees; and
- Other grantees that need to be addressed as part of the annual work plan.

X. Contact Information

Questions regarding the content of this Notice may be directed to Kathleen Burke, Director, Office of Field Management, at (303) 839-2634.

Attachment A-1

**Community Development Block Grant (CDBG) Program
Formula Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department;
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance.

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department;
- Identify grantees to be selected for monitoring; and
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the grantee, using three of the four standard factors selected by the Department to determine the level of risk a grantee may pose to a HUD program. These factors include Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents the Evaluator's assessment of the information available on this grantee. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The Evaluator may accept these auto-populated fields or edit as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator's Comments field.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the program participant has the capacity to carry out HUD programs according to established requirements.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills and ability of program staff, and the grantee's administrative capacity to manage the grant, including: the grantee's ability to provide timely reports that are complete and accurate; the complexity of the grantee's program; the grantee's management of its subrecipients; open and unresolved findings; or problems such as open or stalled activities, staff turnover, lack of experience with Federal grants or project activities, and program

workload. The following information and reporting systems should be considered, including but not limited to: Consolidated Plans, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs), Performance and Evaluation Reports (PERs), Technical Assistance (TA) Plans, the Integrated Disbursement and Information System (IDIS), Office of Inspector General (OIG) audits, any fair housing planning performed by the grantee to support its obligation to affirmatively further fair housing as defined at 24 C.F.R. §5.151, HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.5, and related reporting mechanisms and systems.

The Evaluator will award point values to subfactors A and B. Choose only one risk score for these two subfactors from the point values listed below and enter the associated comment(s). The scores and comments for the remaining subfactors are auto-populated from system data.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto populated? Yes/No
1. A. Reporting How would you rate the grantee’s overall reporting quality and timeliness? Consider report deadlines and the completeness and accuracy of information contained in the Con/Annual Action Plan, CAPER or PER, Financial Reporting (including the PR26 (Entitlement) or PR28 (State)), and activity set-up/reporting in IDIS. This score is manually selected.					No
i. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> • The grantee submitted <u>two or more</u> late reports (<i>including</i> when extensions were granted); OR • <u>Any</u> reports have been <i>significantly</i> incomplete or inaccurate (requiring substantial corrective measures, e.g. did not meet threshold, required extensive adjustment). 	High	6			
ii. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> • The grantee has submitted <u>one</u> late report; OR • <u>Any</u> reports were incomplete or inaccurate, but not significantly so; OR • Activity reporting in IDIS was incomplete, inaccurate, or lacked detail. 	Medium	3			
iii. In the last 3 federal fiscal years, none of the above conditions exist.	Low	0			
1. B. Staff Capacity (including Financial Staff) Risk is based on current grantee staff capacity and its ability to ensure compliance with the program/cross-cutting regulations, fulfill all grantee obligations, and design a program appropriate to					No

<p>the level of its capacity. Staff capacity issues may include understaffing, vacancies, lack of experience relative to project/activity complexity, undertaking new activities, or unresponsiveness. Consider staff with assigned programmatic management, administrative, or financial responsibilities. This score is manually selected.</p>					
<p>i. <u>Significant</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The grantee’s program is more complex than the capacity, experience, or programmatic/financial knowledge of its staff, <u>as evidenced through violations or failure to meet program requirements.</u> • A key position vacancy has existed for <u>more than</u> 6 months. • Staff is <u>regularly</u> unresponsive (e.g., often fails to respond timely to CPD outreach/inquiries/requests). • Staff capacity is unknown. 	High	6			
<p>ii. <u>Moderate</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The grantee’s program is more complex than the capacity, experience, or programmatic/financial knowledge of its staff and negatively impacts performance, though <u>no violations or failure to meet program requirements have occurred.</u> • A key position vacancy has existed for <u>less than</u> 6 months. • Staff is <u>occasionally</u> unresponsive (e.g., on occasion fails to respond timely to CPD outreach/inquiries/requests) 	Medium	3			
<p>iii. <u>No</u> staff capacity issues. None of the above conditions exist.</p>	Low	0			
<p>1. C. Monitoring / Audit History and Findings (includes CPD, OIG, DEC) Risk is based on prior CPD monitoring / OIG audits / DEC Reviews of the grantee’s program, the grantee’s performance regarding open monitoring and OIG findings, and other imposed sanctions. Include monitoring history and findings for programmatic, cross-cutting, and financial compliance.</p>					Yes
<p>i. Any of the below conditions exist for the grantee:</p> <ul style="list-style-type: none"> • <u>Not</u> monitored by CPD or subject to a DEC review (last 3 federal fiscal years); OR 	High	6			

<ul style="list-style-type: none"> • Subject to an OIG audit (last 3 federal fiscal years); OR • Has <u>two or more</u> findings that are still open (from any year); OR • Has open OIG audit findings that are overdue (from any year); OR • Sanctions have been imposed that are still in place. 					
ii. Any of the below conditions exist for the grantee: <ul style="list-style-type: none"> • Has <u>one</u> finding that is still open (from any year); OR • Has open OIG audit findings (from any year) that are not overdue; OR • Sanctions were imposed in the last 3 federal fiscal years but have been removed. 	Medium	3			
iii. None of the above conditions exist.	Low	0			
1. D. Management of Subrecipients Risk is based on the grantee’s management of its subrecipients and contractors. Subrecipients include units of general local government for States. This score is manually selected.					No
i. Grantee has demonstrated a lack of management over its subrecipients or contractors. This has been demonstrated by, including but not limited to, the lack of a program monitoring and training schedule, late or inaccurate reporting on activities and/or projects, missing or inaccurate accomplishments being reported in IDIS, its recordkeeping system, HUD subrecipient management monitoring findings within the last three grant years, etc.	High	6			
ii. Grantee uses subrecipients to administer the program or relies on a contractor to deliver program services but has not demonstrated a lack of management over its subrecipients or contractors. This “medium” risk category does not apply to State grantees.	Medium	3			
iii. None of the above conditions exists.	Low	0			
1. E. Other Risks Does the grantee either: expend a large portion of housing rehabilitation funding for costs reported as administration of the rehabilitation activities or use a significant amount of CDBG funds for code enforcement? This score is auto-populated from IDIS data.					Yes
i. Expenditures for rehab administration are 50 percent or more of overall housing rehab program expenditures; OR expenditures on code enforcement are 10 percent or more of grant over 5-year	High	6			

average; OR the grantee funded a Section 104(d) one-for-one replacement activity or a URA and/or Section 104(d) relocation activity in the past 5 years.					
ii. Expenditures for rehab administration are more than 20 percent but less than 50 percent of overall housing rehab program expenditures; OR expenditures on code enforcement are 5 percent or more of the grant over 5-year average.	Medium	3			
iii. No rehab administration and no code enforcement expenditures were reported, or they did not surpass (i) or (ii) above; and no Section 104(d) one-for-one replacement activities and no URA and/or Section 104(d) relocation activities have been funded in the past 5 years.	Low	0			
1. F. At-Risk Flags in IDIS Are a high percentage of open activities flagged in IDIS as at-risk? The flags include: 1) an activity has infrequent draws (for most activities, if there are no draws for a year or more, the activity will be flagged. For planning and administration activities, two years is allowed without a draw, or three years for State CDBG); 2) an activity has been open for three or more years, and no accomplishments have been reported; and 3) the activity is 80 percent drawn down, but no accomplishments have been reported. Note: Certain public facilities and economic development activities are not flagged. This score is auto-populated from IDIS data.					Yes
i. Percent of "Open" activities flagged as at-risk is more than 50%, or the amount of funds committed to the at-risk activities is more than 50% of funds that are committed to all "Open" activities; OR the amount of funds committed to at-risk activities is more than two times the current year allocation.	High	6			
ii. Percent of "Open" activities are flagged as at-risk is less than 50%, or the amount of funds committed to the at-risk activities is less than 50% of funds that are committed to all "Open" activities; OR the amount of funds committed to at-risk activities is less than two times the current year allocation.	Medium	3			
iii. The grantee has no at-risk flags, or a low percentage of activities are flagged.	Low	0			
1. G. Economic Development Activities Risk is based on the grantee expending a significant amount of CDBG funding for economic development activities. This score is auto-populated from IDIS data.					Yes

i. Expenditures for economic development activities are 30 percent or more of one or more of its CDBG allocations.	High	4			
ii. The above condition doesn't exist.	Low	0			
Subtotal for Grant Management (Max. 40 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT

Factor Definition: The extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: Integrated Disbursement and Information System (IDIS), audit management systems, audits conducted under 2 CFR part 200, subpart F, findings that require repayment or grant reduction, program income, the operation of Revolving Loan Funds (RLFs), grantee’s financial records, timeliness standards, and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and grantee performance reports.

The Evaluator will award point values to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
2. A. Audits required by 2 CFR § 200.501 Assessment is based on the submission of audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity’s fiscal year in Federal award, with special emphasis placed on the review of the management letter that should accompany the audit, taking into consideration whether the grantee received a finding subject to a management decision letter. Audit deadlines are specified in 2 CFR § 200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits). This score is manually selected.					No
i. In the last three program years, the grantee met the audit threshold and: failed to submit or was not timely in submitting audits required under 2 CFR § 200.501; OR received <u>one or more</u> audit finding(s) subject to a management decision letter.	High	8			
ii. In all of the last three program years, the grantee did not meet the \$750,000 threshold to require Single Audit submission.	Medium	4			
iii. None of the above conditions exist.	Low	0			

2. B. Administration and Planning and Public Services Caps Does the grantee exceed the caps on administration and planning or public services costs? This score is auto-populated from IDIS data.					Yes
i. The grantee has exceeded the program administration and planning or public services cap in one or more of the last three reported years.	High	12			
ii. The grantee has exceeded the program administration and planning or public services cap once in the last three reported years.	Medium	6			
iii. The grantee has not exceeded the program administration and planning or public services cap in the last three reported years.	Low	0			
2. C. Program Income and Revolving Funds Does the grantee have inactive cash-on-hand, program income, or revolving fund accounts? Inactive accounts may be indicative of noncompliance with cash management principles. This score is auto-populated from IDIS data.					Yes
i. The grantee has a local account (LA) or program income (PI) balance exceeding \$1,000 and there has been at least one year since the last transaction; OR the grantee has a revolving fund balance (RL or SF) exceeding \$10,000 and there has been at least two years since the last transaction.	High	8			
ii. The grantee's program income and revolving fund accounts are active; OR the grantee has not reported program income in IDIS.	Low	0			
2. D. Voucher Revisions Risk is based on the grantee having numerous or large voucher revisions in IDIS. "Numerous" refers to having 20 draw revisions or more for any year in the last three years. "Large" refers to total revisions of \$500,000 or more in the last three years. This score is auto-populated from IDIS data.					Yes
i. The grantee has voucher revisions totaling over \$500,000 in the last three years; OR has 20 or more voucher revisions in the last three years.	High	8			
ii. The grantee has voucher revisions in the past three years of lesser amount and number than (i) above.	Medium	4			
iii. The grantee did not revise a voucher in the past three years.	Low	0			
2. E. Untimely Expenditure Does the grantee regularly fail the timeliness test? This score is auto-populated from IDIS data.					Yes

i. The grantee failed the timeliness test in two of the last five reported years.	High	6			
ii. The grantee failed the timeliness test in one of the last five reported years.	Medium	3			
iii. The grantee appears to have met the timeliness test for the last five reported years.	Low	0			
2. F. Section 108 Exposure Risk Has the grantee borrowed a significant amount using Section 108 loans by pledging the annual CDBG program for payment? This score is auto-populated from program data.					Yes
i. Total amounts available for commitment and unpaid balances are either over \$5 Million OR over 2.5 times the most recent CDBG allocation.	High	6			
ii. Total amounts available for commitment and unpaid balances are either over \$750,000 OR over 0.5 times the most recent CDBG allocation.	Medium	3			
iii. Either the grantee does not have a Section 108 loan OR has a Section 108 loan(s) that does not meet (i) or (ii) above.	Low	0			
Subtotal for Financial Management (Max. 48 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which HUD program participants deliver a program that is compliant and clients express satisfaction or dissatisfaction with the delivery of program services.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, grantee responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of community support, failure to reply or submit reports, Consolidated Plan, Annual Action Plans, and Consolidated Annual Performance and Evaluation Reports (CAPERs) or Performance and Evaluation Reports (PERs), other financial reporting, and auto-populated tracking systems.

The Evaluator will award a point value to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
3. A. Citizen Complaints / Negative Media Exposure / Responsiveness					No

<p>Risk is based on citizen complaints (received through such sources as citizen letters, phone calls, hotline complaints, etc.) or on negative media exposure (included in newspapers, internet postings, etc.) involving CDBG funding, significant negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders and the grantee's timely and effective response to these issues. This score is manually selected.</p>					
<p>i. <u>Significant</u> concerns. In the last 3 federal fiscal years, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The grantee received <i>significant</i>, valid citizen complaints, issues, or negative media exposure related to its CDBG program; OR • The grantee failed to respond timely or effectively to complaints, issues and/or inquiries within the HUD prescribed timeframes. 	High	12			
<p>ii. <u>Moderate</u> concerns. In the last 3 federal fiscal years, the grantee has had <i>moderate</i>, valid citizen complaints, issues, or negative media exposure related to its CDBG program, but the grantee has responded timely and effectively to the complaints, issues and/or inquiries within the prescribed timeframes.</p>	Medium	6			
<p>iii. <u>No</u> concerns. In the last 3 federal fiscal years, the grantee has not had any complaints, issues or negative media exposure related to its CDBG program.</p>	Low	0			
<p>Subtotal for Services and Satisfaction (Max. 12 pts.)</p>	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	40
2. Financial Management	48
3. Services & Satisfaction	12
Total	100

Attachment A-2

**Community Development Block Grant
Disaster Recovery (CDBG-DR), National Disaster Resilience (CDBG-NDR), and Mitigation (CDBG-MIT) Grants
Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department;
- The likelihood that a grantee has failed to comply with requirements; or
- Instances of unacceptable grantee performance.

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department;
- Identify grantees to be selected for monitoring; and
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness.

In completing this worksheet, the Evaluator will provide an assessment of the grantee, using four factors: Grant Management, Financial Management, Services & Satisfaction, and Project-Specific Risk. The first three of these factors are standard factors selected by the Department. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator must choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents the Evaluator's assessment of the information available on this grantee. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The Evaluator may accept these auto-populated fields or edit as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator's Comments field.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the grantee has the capacity to carry out HUD grants according to established requirements.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills, and ability of the grantee's staff, and the grantee's administrative capacity to manage the grant, including: the grantee's ability to provide timely reports that are complete and accurate; the complexity of the grantee's activities; the grantee's management of its subrecipients; open and unresolved findings; or problems such as completion of activities, staff turnover, lack of experience with Federal grants or activities. The following

documents, reports and reporting systems should be considered: Action Plan(s) and substantial amendments, grantee quarterly performance reports, Financial Management and Grant Compliance Certification, Technical Assistance Plans, Disaster Recovery Grant Reporting (DRGR), any fair housing planning performed by the grantee to support its obligation to affirmatively further fair housing as defined at 24 C.F.R. §5.151, Office of Inspector General (OIG) audits, HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.15, and related reporting mechanisms and systems.

The Evaluator will award point values to subfactor A, B, C, D, E and F. The Evaluator will choose only one risk score for these six subfactors from the point values listed below and document their determination in the Evaluator's Comment field.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
1.A. Reporting on Recovery Progress How would you rate the grantee's overall reporting quality and timeliness? Consider report deadlines and the completeness and accuracy of information contained in the Action Plan and performance reports. This score is manually selected.					No
i. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> • the grantee submitted <u>three or more</u> late reports without advance approval; OR • <u>one or more</u> performance reports have been <i>significantly</i> incomplete or inaccurate (requiring substantial corrective measures, e.g., did not meet threshold, required extensive adjustment). 	High	8			
ii. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> • the grantee has submitted <u>two</u> consecutive late reports; OR • <u>any</u> performance reports were incomplete or inaccurate, but not significantly so; OR • activity reporting in DRGR was incomplete, inaccurate, or lacked detail. 	Medium	4			
iii. None of the above conditions exists.	Low	0			
1.B. Staff Capacity (including Financial Staff) Risk is based on current grantee staff capacity and its ability to ensure programmatic compliance with CDBG-DR requirements and cross-cutting regulations, fulfill all grantee obligations, and design a program appropriate to the level of its capacity. Staff capacity issues may include under-staffing, vacancies, lack of					No

experience relative to project/activity complexity, undertaking new activities, and unresponsiveness. Consider staff with assigned programmatic management, administrative, or financial responsibilities. This score is manually selected.					
i. <u>Significant</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist: <ul style="list-style-type: none"> The grantee's program is more complex than the capacity, experience, or programmatic/financial knowledge of its staff, <u>as evidenced through violations or failure to meet program requirements</u>; OR A key position (senior leadership; program managers for housing, economic revitalization, and infrastructure; senior personnel responsible for procurement and contract management; internal auditor) vacancy has existed for <u>more than</u> 6 months; OR Staff is <u>regularly</u> unresponsive (e.g., often fails to respond timely to CPD outreach/inquiries/requests); OR Staff capacity is unknown. 	High	14			
ii. <u>Moderate</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist: <ul style="list-style-type: none"> The grantee's program is more complex than the capacity, experience, or programmatic/financial knowledge of its staff and negatively impacts performance, though <u>no violations or failure to meet program requirements have occurred</u>; OR A key position vacancy has existed for <u>less than</u> 6 months; OR Staff is <u>occasionally</u> unresponsive (e.g., on occasion fails to respond timely to CPD outreach/inquiries/requests). 	Medium	10			
iii. <u>No</u> staff capacity issues. None of the above conditions exist.	Low	0			
1.C. Monitoring / Audit History and Findings (includes CPD, OIG, DEC) Risk is based on prior CPD monitoring / OIG audits / DEC reviews of the grantee's program, the grantee's performance regarding open monitoring and OIG findings, and other imposed sanctions. Include monitoring history and findings for programmatic, cross-cutting, and financial compliance. This score is manually selected.					No
i. Any of the below conditions exist for the grantee:	High	8			

<ul style="list-style-type: none"> • <u>Not</u> monitored by CPD or subject to a DEC review (last 3 federal fiscal years); OR • Subject to an OIG audit (last 3 federal fiscal years); OR • Has <u>two or more</u> findings that are still open (from any year); OR • Has open OIG audit findings that are overdue (from any year); OR • Sanctions have been imposed that are still in place. 					
ii. Any of the below conditions exist for the grantee: <ul style="list-style-type: none"> • Has <u>one</u> finding that is still open (from any year); OR • Has open OIG audit findings (from any year) that are not overdue; OR • Sanctions were imposed in the last 3 federal fiscal years but have been removed. 	Medium	4			
iii. None of the above conditions exist.	Low	0			
1.D. Project or Activity Complexity Risk is based on the complexity of the grantee’s program design, primarily the number and variety of activities the grantee is undertaking and whether these are new to its program and may pose a challenge to the grantee’s staff in regard to compliance and reporting. Also, the grantee’s application intake complexity should be considered. This score is manually selected.					No
i. The grantee has designed a program that implements four or more types of activities; OR has implemented at least two new activities in its program (considering the last three grant years) AND has a highly complex application intake system.	High	10			
ii. The grantee has designed a program that implements three or fewer types of activities AND requires an application intake system that may strain resources	Medium	6			
iii. The grantee has designed a program that appears to suit the level of staff capacity and has an application intake system that is manageable.	Low	0			
1.E. Management of Subrecipients Risk is based on the grantee’s reliance on and management of its subrecipients. This score is manually selected.					No
i. Grantee has demonstrated a lack of management over its subrecipients, contractors, or state recipients. This has been demonstrated by, including but not limited to, the lack of a	High	8			

program monitoring and training schedule, late or inaccurate reporting on activities and/or projects, missing or inaccurate accomplishments being reported in DRGR, its recordkeeping system, HUD subrecipient management monitoring findings within the last three grant years, etc.					
ii. Grantee uses subrecipients or state recipients to administer the program or relies on a contractor to deliver program services but has not demonstrated a lack of management over its subrecipients, contractors or state recipients.	Medium	4			
iii. None of the above conditions exist.	Low	0			
I.F. Pre-Award Risk Assessment All CDBG-DR and CDBG-MIT grants awarded since 2017 require a Pre-Award Risk Assessment to identify risks associated with the grantee’s implementation of the award and develop specific grant conditions to mitigate those risks. The identification of risks and conditions to mitigate risk are based on the conclusions of the Pre-Award Risk Assessment for each grant award. This score is manually selected.					No
i. The Pre-Award Risk Assessment identified an unmitigated risk which resulted in one or more grant conditions AND any resulting grant condition is still in effect at the time of this risk analysis.	High	2			
ii. The Pre-Award Risk Assessment identified an unmitigated risk which resulted in one or more grant conditions, but the grantee has met the conditions outlined in the grant agreement and the specific conditions have been removed.	Medium	1			
iii. The grantee has not received funds since 2017; OR no unmitigated risks were identified through the Pre-Award Risk Assessment.	Low	0			
Subtotal for Grant Management (Max. 50 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT

Factor Definition: The extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure for the Department.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: Disaster Recovery Grant Reporting System (DRGR), audit management systems, audits conducted under 2 CFR part 200, subpart

F, findings that require repayment or grant reduction, program income, the operation of Revolving Loan Funds (RLFs), grantee's financial records, timeliness standards, and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and grantee performance reports.

The Evaluator will award point values to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
2.A. Audits required by 2 CFR § 200.501 Assessment is based on the submission of audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal awards, special emphasis placed on the review of the management letter that should accompany the audit, taking into consideration whether the grantee received a finding subject to a management decision letter. Audit deadlines are specified in 2 CFR § 200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits). This score is manually selected.					No
i. In the last three program years, the grantee met the audit threshold and: failed to submit or was not timely in submitting audits required under 2 CFR § 200.501; OR received <u>one or more</u> audit finding(s) subject to a management decision letter.	High	6			
ii. In all of the last three program years, the grantee did not meet the \$750,000 threshold to require Single Audit submission.	Medium	3			
iii. None of the above conditions exist.	Low	0			
2.B. CDBG-DR Grant Amount Risk is based on the relative amount of the grantee's CDBG-DR grant and the age of the most recent grant. This score is auto-populated.					Yes
i. During the last three federal fiscal years, the grantee was awarded CDBG-DR funds more than five times its current CDBG grant amount for the most recent federal fiscal year; OR the grantee is a new CDBG-DR grant recipient.	High	8			
ii. During the last three federal fiscal years, the grantee was awarded CDBG-DR funds between three and five times its	Medium	6			

current CDBG grant amount for the most recent federal fiscal year.					
iii. None of the above conditions exist.	Low	0			
2.C. Program Income, Revolving Loan Fund, or Float-Funded Activities Risk is based on the grantee's use of program income and revolving loan funds activities. This score is auto-populated					Yes
i. Within the past federal fiscal year, the grantee or its subrecipient(s) received \$1,000,000 or at least 1% of any single grant award amount (whichever is greater) in program income; OR funded activities with funds from a Revolving Loan Fund.	High	4			
ii. Within the past federal fiscal year, the grantee or its subrecipient(s) received program income in an amount less than \$1,000,000 or less than 1% of any single grant award.	Medium	2			
iii. The grantee or its subrecipient(s) did not receive any program income in the last federal fiscal year or fund activities with funds from a Revolving Loan Fund.	Low	0			
2.D. Progress on Expenditure Assessment is based on whether the grantee is making adequate progress expending its CDBG-DR funds based on data entered in DRGR. This score is auto-populated.					Yes
i. The grantee is not making adequate progress expending its CDBG-DR funds as demonstrated by the grantee's overseeing any grant with a spending status of "Slow Spender" on the CDBG-DR Grants Financial Report for three or more months in the last federal fiscal year.	High	8			
ii. None of the above conditions exist.	Low	0			
Subtotal for Financial Management (Max. 26 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which HUD grantees deliver grant activities and projects that are compliant and clients express satisfaction or dissatisfaction with the delivery of grant activities and projects.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, grantee responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of community support, failure to reply or submit reports, Action Plans, grantee performance reports, and auto-populated tracking systems.

The Evaluator will award a point value to subfactor A. The Evaluator will choose only one risk score for this subfactor from the point values listed below and document their determination in the Evaluator's Comment field.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
3.A. Citizen Complaints / Negative Media Exposure / Responsiveness Risk is based on citizen complaints (received through such sources as citizen letters, phone calls, hotline complaints, etc.) or on negative media exposure (included in newspapers, internet postings, etc.) involving CDBG-DR and CDBG-MIT funding, negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders and the grantee's timely and effective response to these issues. This score is manually selected.					No
i. <u>Significant</u> concerns. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> • The grantee received significant, valid citizen complaints, issues, or negative media exposure related to its CDBG-DR/MIT program; OR • The grantee failed to respond timely or effectively to complaints, issues and/or inquiries within the HUD prescribed timeframes. 	High	8			
ii. <u>Moderate</u> concerns. In the last 3 federal fiscal years, the grantee has had <i>moderate</i> , valid citizen complaints, issues, or negative media exposure related to its CDBG-DR/MIT program, but the recipient has responded timely and effectively to the complaints, issues and/or inquiries within the prescribed timeframes.	Medium	4			
iii. No concerns. In the last 3 federal fiscal years, the grantee has not had any valid complaints, issues or negative media exposure related to its CDBG-DR/MIT program.	Low	0			
Subtotal for Services and Satisfaction (Max. 8 pts.)	Subtotal				

FACTOR 4 – PROJECT-SPECIFIC RISK

Factor Definition: Extent to which grantees develop and deliver different types of disaster recovery projects and activities that are compliant and meet the recovery needs of the impacted communities.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to consideration of the types of projects or activities the grantee is implementing and the grantee’s administrative capacity to manage specific projects and activities effectively; the complexity of the specific recovery projects and activities, and open and unresolved findings specific to the projects. The following documents, reports and reporting systems should be considered, including but not limited to: Action Plans, grantee performance reports, Technical Assistance Plans, Disaster Recovery Grant Reporting (DRGR), Office of Inspector General (OIG) audits, and related reporting mechanisms and systems.

Factor 4, in its entirety, is auto-populated with scores and comments. A grantee may have multiple grants or activities that receive a high, medium, or low Risk Score. In these instances, the grantee will be assigned the highest Risk Score associated with any of the grantee’s grants or activities reviewed.

FACTOR 4 – PROJECT-SPECIFIC RISK	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
4.A. Housing Rehabilitation and Reconstruction Risk is based on the grantee’s administering a housing rehabilitation or reconstruction assistance project or activity effectively based on the amount of funds drawn and point in the life cycle of the grant. This score is auto-populated.					Yes
i. Grantee has a housing rehabilitation or reconstruction activity that is beyond the projected start date and the grantee has not drawn any funds against the activity as of the end of the fiscal year; OR a grant beyond three years of grant agreement execution date and the grantee has drawn less than 50% of budgeted funds for the activity.	High	4			
ii. Grantee has a grant beyond three years of grant agreement execution date and the grantee has drawn at least 50% but not more than 75% of budgeted funds for the activity.	Medium	2			
iii. None of the above conditions exist.	Low	0			
4.B. Acquisition and/or Buyout Risk is based on the grantee’s administering an acquisition or buyout project or activity effectively based on the amount of funds drawn and point in the life cycle of the grant. This score is auto-populated.					Yes
i. Grantee has an acquisition and/or buyout activity that is beyond the projected start date and the grantee has not drawn any funds	High	4			

against the activity as of the end of the fiscal year; OR grantee has a grant beyond three years of grant agreement execution date and the grantee has drawn less than 50% of budgeted funds for the activity.					
ii. Grantee has a grant beyond three years of grant agreement execution date and the grantee has drawn at least 50% but not more than 75% of budgeted funds for the activity.	Medium	2			
iii. None of the above conditions exist.	Low	0			
4.C. Economic Revitalization Risk is based on the grantee's administering small business assistance or other economic revitalization project or activity effectively based on the amount of funds drawn and point in the life cycle of the grant. This score is auto-populated.					Yes
i. Grantee has an economic revitalization activity that is beyond the projected start date and the grantee has not drawn any funds against the activity as of the end of the fiscal year; OR grantee has a grant beyond 3 years of grant agreement execution date and the grantee has drawn less than 50% of budgeted funds for the activity.	High	4			
ii. Grantee has a grant beyond 3 years of grant agreement execution date and the grantee has drawn at least 50% but not more than 75% of budgeted funds for the activity.	Medium	2			
iii. None of the above conditions exist.	Low	0			
4.D. Infrastructure Risk is based on the grantee administering an infrastructure project or activity effectively, based on the point in the life cycle of the grant. This score is auto-populated.					Yes
i. Grantee has an infrastructure activity that is beyond the projected start date and the grantee has not drawn funds against the activity as of the end of the fiscal year; OR the date that HUD signed the grant agreement was at least 3 years prior to this risk scoring and the grantee has obligated less than 50% of budgeted funds for the infrastructure activity.	High	4			
ii. Grantee does not have any grants or activities that fit into category i.e., has a grant within 24 months of expenditure deadline (or end of period of performance for PL 113-2 grantees), and grantee has drawn less than 75% of budgeted funds for the infrastructure activity; OR for grants with no expenditure	Medium	2			

deadline (P.L. 113-2 or prior), the grantee has drawn more than 50% but less than 75% of budgeted funds for the infrastructure activity.					
iii. None of the above conditions exist.	Low	0			
Subtotal for Project-Specific Risk (Max. 16 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	50
2. Financial Management	26
3. Services & Satisfaction	8
4. Project-Specific	16
Total	100

Attachment A-3

**Neighborhood Stabilization (NSP) Program
Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department;
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance.

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department;
- Identify grantees to be selected for monitoring; and
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness.

In completing this worksheet, the Evaluator will provide an assessment of the grantee, using three of the four standard factors selected by the Department to determine the level of risk a grantee may pose to a HUD program. These factors include Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the information available on this grantee. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The evaluator may accept these auto-populated fields or edit, as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator's Comments field.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the program participant has the capacity to carry out HUD programs according to established requirements.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills, and ability of program staff, and the grantee's administrative capacity to manage the grant, including: the grantee's ability to provide timely reports that are complete and accurate; the complexity of the grantee's program; the grantee's management of its subrecipients; open and unresolved findings; or problems such as open or stalled activities, staff turnover, lack of experience with Federal grants or project activities, and program workload. The following information and reporting systems should be considered, including but not limited to: Action Plans, Quarterly Performance Reports

NSP (Attachment A-3)

(QPRs), Technical Assistance Plans, Disaster Recovery Grant Reporting (DRGR), any fair housing planning performed by the grantee to support its obligation to affirmatively further fair housing as defined at 24 C.F.R. §5.151, Office of Inspector General (OIG) audits, HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.15, and other reporting mechanisms and systems.

The Evaluator should award point values to subfactors B and E. Choose only one risk score for these two subfactors from the point values listed below and enter the associated comment(s), if appropriate. The remaining scores and comments for the remaining subfactors are auto-populated from DRGR data.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
1.A. Reporting How would you rate the grantee's overall reporting quality and timeliness? Risk is based on the grantee meeting report deadlines with primary consideration given to completeness and accuracy of information contained in the Action Plan and Quarterly Performance Report (QPR). This score is auto-populated. (Source: DRGR Report A34 (7.1.2020-6.30.23))					Yes
i. The grantee has not been timely in submitting at least two reports within the last three years; OR at least two reports have not been complete and/or accurate.	High	8			
ii. The grantee has submitted at most one report within the last three years that has not been complete, timely, and/or accurate.	Medium	4			
iii. Within the last three years, the grantee has been timely with submitting its reports, and they have been complete and accurate.	Low	0			
1.B. Staff Capacity (including Financial Staff) Risk is based on current grantee staff capacity and its ability to ensure compliance with the program/cross-cutting regulations, fulfill all grantee obligations, and design a program appropriate to the level of its capacity. Staff capacity issues may include understaffing, vacancies, lack of experience relative to project/activity complexity, undertaking new activities, or unresponsiveness. Consider staff with assigned programmatic management, administrative, or financial responsibilities. This score is manually selected.					No
i. <u>Significant</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist: <ul style="list-style-type: none"> • The grantee’s program is more complex than the capacity, experience, or programmatic/financial knowledge of its staff, <u>as evidenced through violations or failure to meet program requirements</u>; OR 	High	14			

<ul style="list-style-type: none"> • A key position vacancy has existed for <u>more than</u> 6 months; OR • Staff is <u>regularly</u> unresponsive (e.g., often fails to respond timely to CPD outreach/inquiries/requests); OR • Staff capacity is unknown. 					
<p>ii. <u>Moderate</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The grantee’s program is more complex than the capacity, experience, or programmatic/financial knowledge of its staff and negatively impacts performance, though <u>no violations or failure to meet program requirements have occurred</u>; OR • A key position vacancy has existed for <u>less than</u> 6 months; OR • Staff is <u>occasionally</u> unresponsive (e.g., on occasion fails to respond timely to CPD outreach/inquiries/requests). 	Medium	8			
<p>iii. <u>No</u> staff capacity issues. None of the above conditions exist.</p>	Low	0			
<p>1.C. Monitoring / Audit History and Findings (includes CPD, OIG, DEC) Risk is based on prior CPD monitoring / OIG audits / DEC Reviews of the grantee’s program, the grantee’s performance regarding open monitoring and OIG findings, and other imposed sanctions. Include monitoring history and findings for programmatic, cross-cutting, and financial compliance. This score is auto-populated.</p>					Yes
<p>i. Any of the below conditions exist for the grantee:</p> <ul style="list-style-type: none"> • <u>Not</u> monitored by CPD or subject to a DEC review (last 3 federal fiscal years); OR • Subject to an OIG audit (last 3 federal fiscal years); OR • Has <u>two or more</u> findings that are still open (from any year); OR • Has open OIG audit findings that are overdue (from any year); OR • Sanctions have been imposed that are still in place. 	High	10			
<p>ii. Any of the below conditions exist for the grantee:</p> <ul style="list-style-type: none"> • Has <u>one</u> finding that is still open (from any year); OR • Has open OIG audit findings (from any year) that are not overdue; OR 	Medium	6			

<ul style="list-style-type: none"> Sanctions were imposed in the last 3 federal fiscal years but have been removed. 					
iii. None of the above conditions exist.	Low	0			
1.D. Management of Subrecipients Risk is based on the grantee's management of its subrecipients. This score is manually selected.					No
i. Grantee (including States for its state recipients) has demonstrated a lack of management over its subrecipients. This has been demonstrated by, including but not limited to, the lack of a program monitoring schedule, late or inaccurate reporting on activities and/or projects, missing or inaccurate accomplishments being reported in DRGR, its recordkeeping system, HUD management monitoring findings within the last three grant years, etc.	High	4			
ii. Grantee uses subrecipients and/or contractors (or for state grantees, uses subgrantees) to help administer the program.	Medium	2			
iii. None of the above conditions exist.	Low	0			
1.E. Land Banking Activities Risk is based on the grantee's undertaking land banking activities. This score is auto-populated. (Source: DRGR Report F15 (7.1.2020-6.30.23))					Yes
i. Within the last three grant years, the grantee has disposed of land-banked properties AND either it or its subrecipients (including contractors and state recipients) operates or has operated a land bank.	High	4			
ii. Within the last three grant years, the grantee has disposed of land-banked properties.	Medium	2			
iii. None of the above conditions exist.	Low	0			
Subtotal for Grant Management (Max. 40 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT:

Factor Definition: The extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: Disaster Recovery Grant Reporting System (DRGR), audit management systems, single audits, findings that require repayment or grant reduction, program income, the operation of Revolving Loan Funds (RLFs), Loan Servicing, grantee's financial records, timeliness standards and

expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and grantee performance reports.

The Evaluator will award point values to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
2.A. Audits required by 2 CFR § 200.501 Assessment is based on the submission of audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more in Federal awards during the non-Federal entity's fiscal year, with special emphasis placed on the review of the management letter that should accompany the audit, taking into consideration whether the grantee received a finding subject to a management decision letter. Audit deadlines are specified in 2 CFR §200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits). This score is manually selected.					No
i. In the last three program years, the grantee met the audit threshold and: failed to submit or was not timely in submitting audits required under 2 CFR § 200.501; OR received <u>one or more</u> audit finding(s) subject to a management decision letter.	High	6			
ii. In all of the last three program years, the grantee did not meet the \$750,000 threshold to require Single Audit submission.	Medium	3			
iii. None of the above conditions exist.	Low	0			
2.B. NSP Grant Balance Risk is based on the total LOC balance of the grantee's NSP grant(s) [NSP-1, NSP-2, and NSP-3]. This score is auto-populated. (Source: DRGR Report A13)					Yes
i. \$500,000 or greater.	High	12			
ii. At least \$100,000 but less than \$500,000.	Medium	8			
iii. Less than \$100,000.	Low	0			
2.C. Expenditures Risk is based on the expenditure rate/activity of Active grants. This score is auto-populated. (Source: DRGR Report F15)					Yes
i. The grantee has an active grant with no expenditures over the last 12 quarters.	High	15			

ii. The grantee has an active grant with no expenditures over the last 4 quarters.	Medium	10			
iii. The grantee has an active grant with expenditures over the last 4 quarters.	Low	0			
2.D. Voucher Revisions Risk is based on the frequency and dollar amount of NSP voucher revisions. This score is auto-populated. (Source: DRGR Report F71)					Yes
i. The grantee has made voucher revisions totaling \$5 million or more over the last 12 quarters.	High	15			
ii. The grantee has made voucher revisions totaling \$500,000 or more, but less than \$5 million, over the last 12 quarters.	Medium	10			
iii. The grantee has made voucher revisions totaling less than \$500,000 over the last 12 quarters.	Low	0			
Subtotal for Financial Management (Max. 48 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which HUD program participants deliver a program that is compliant and clients express satisfaction or dissatisfaction with the delivery of program services.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, grantee responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of community support, failure to reply or submit reports, Action Plans, Quarterly Performance Reports (QPRs), and automated tracking systems.

The Evaluator will award a point value to subfactor A. There should only be one risk score for the subfactor from the point values listed below. The Evaluator must document their determination in the Evaluator’s Comments field.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
3.A. Citizen Complaints / Negative Media Exposure / Responsiveness Risk is based on citizen complaints (received through such sources as citizen letters, phone calls, hotline complaints, etc.) or on negative media exposure (included in newspapers, internet postings, etc.) involving NSP funding, negative impacts related					No

to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders AND the grantee's timely and effective response to these issues.. This score is manually selected.				
i. <u>Significant</u> concerns. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> The grantee received <i>significant</i>, valid citizen complaints, issues, or negative media exposure related to its NSP program; OR The grantee failed to respond timely or effectively to complaints, issues and/or inquiries within the HUD prescribed timeframes. 	High	12		
ii. <u>Moderate</u> concerns. In the last 3 federal fiscal years, the grantee has had <i>moderate</i> , valid citizen complaints, issues, or negative media exposure related to its NSP program, but the grantee has responded timely and effectively to the complaints, issues and/or inquiries within the prescribed timeframes.	Medium	6		
iii. <u>No</u> concerns. In the last 3 federal fiscal years, the grantee has not had any complaints, issues or negative media exposure related to its NSP program.	Low	0		
Subtotal for Services and Satisfaction (Max. 12 pts.)	Subtotal			

Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	40
2. Financial Management	48
3. Services & Satisfaction	12
Total	100

Attachment A-4

**HOME Investment Partnerships
Formula Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department;
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance.

Participating Jurisdiction (PJ) Risk is assessed to:

- Determine PJs that pose the highest risk to the Department;
- Identify PJs to be selected for monitoring; and
- Determine the most effective means to identify and carry out actions to increase PJ effectiveness.

In completing this worksheet, the Evaluator will provide an assessment of the PJ, using three of the four standard factors selected by the Department to determine the level of risk a PJ may pose to a HUD program. These factors include Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the information available on this PJ. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The Evaluator may accept these auto-populated fields or edit as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator's Comments field.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the program participant has the capacity to carry out HUD programs according to established requirements.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills and ability of program staff, and the PJ's administrative capacity to manage the grant, including: the PJ's ability to provide timely reports that are complete and accurate; the complexity of the PJ's program; the PJ's management of its subrecipients; open and unresolved findings; or problems such as open or stalled activities, staff turnover, lack of experience with Federal grants or project activities, and program workload. The following information and reporting systems should be considered, including but not limited to: Consolidated Plans, Annual Action Plans, Consolidated Annual

HOME (Attachment A-4)

Performance and Evaluation Reports (CAPERs), Performance and Evaluation Reports (PERs), Technical Assistance (TA) Plans, the Integrated Disbursement and Information System (IDIS), Office of Inspector General (OIG) audits, any fair housing planning performed by the PJ to support its obligation to affirmatively further fair housing as defined at 24 C.F.R. §5.151, HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.5, and related reporting mechanisms and systems.

The Evaluator will award point values to subfactors A and B. Choose only one risk score for these two subfactors from the point values listed below and enter the associated comment(s), if appropriate. The remaining scores and comments for the remaining subfactors are auto-populated from IDIS data.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
1. A. Reporting How would you rate the PJ’s overall reporting quality and timeliness? Consider report deadlines and the completeness and accuracy of information contained in the Con/Annual Action Plan, CAPER, Financial Reporting, and activity set-up/reporting in IDIS. This score is manually selected.					No
i. In the last 3 federal fiscal years, did any of the below conditions exist: <ul style="list-style-type: none"> • The PJ submitted <u>two or more</u> late reports (<i>including</i> when extensions were granted); OR • <u>One or more</u> reports have been <i>significantly</i> incomplete or inaccurate requiring substantial corrective measures, (e.g. did not meet threshold, required extensive adjustment); OR • Activity reporting in IDIS was incomplete, inaccurate or lacked detail (e.g., activities not marked completed in IDIS; unit occupancy not reported in IDIS). 	High	5			
ii. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> • The PJ has submitted <u>one</u> late report; OR • <u>Any</u> reports were incomplete or inaccurate, but not significantly so. 	Medium	3			
iii. In the last 3 federal fiscal years, none of the above conditions exist.	Low	0			
1.B. Staff Capacity (including Financial Staff) Risk is based on current PJ staff capacity and its ability to ensure compliance with the program/cross-cutting regulations, fulfill all grantee obligations, and design a program appropriate to the level					No

<p>of its capacity. Staff capacity issues may include under-staffing, vacancies, lack of experience relative to project/activity complexity, undertaking new activities, or unresponsiveness. Consider staff with assigned programmatic management, administrative, or financial responsibilities. This score is manually selected.</p>					
<p>i. <u>Significant</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The PJ’s program is more complex than the capacity, experience, or programmatic/financial knowledge of its staff, <u>as evidenced through violations or failure to meet program requirements</u>; OR • A key position vacancy has existed for <u>more than 6 months</u>; OR • Staff is <u>regularly</u> unresponsive (e.g., often fails to respond timely to CPD outreach/inquiries/requests); OR • Staff capacity is unknown. 	High	10			
<p>ii. <u>Moderate</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The PJ’s program is more complex than the capacity, experience, or programmatic/financial knowledge of its staff and negatively impacts performance, though <u>no violations or failure to meet program requirements have occurred</u>; OR • A key position vacancy has existed for <u>less than 6 months</u>; OR • Staff is <u>occasionally</u> unresponsive (e.g., on occasion fails to respond timely to CPD outreach/inquiries/requests). 	Medium	5			
<p>iii. <u>No</u> staff capacity issues. None of the above conditions exist.</p>	Low	0			
<p>1.C. Monitoring / Audit History and Findings (includes CPD, OIG, DEC) Risk is based on prior CPD monitoring / OIG audits / DEC Reviews of the grantee’s program, the grantee’s performance regarding open monitoring and OIG findings, and other imposed sanctions. Include monitoring history and findings for programmatic, cross-cutting, and financial compliance. This score is auto-populated.</p>					Yes
<p>i. Any of the below conditions exist for the PJ:</p>	High	5			

<ul style="list-style-type: none"> • <u>Not</u> monitored by CPD or subject to a DEC review (last 3 federal fiscal years); OR • Subject to an OIG audit (last 3 federal fiscal years); OR • Has <u>two or more</u> findings that are still open (from any year); OR • Has open OIG audit findings that are overdue (from any year); OR • Sanctions have been imposed that are still in place. 					
ii. Any of the below conditions exist for the PJ: <ul style="list-style-type: none"> • Has <u>one</u> finding that is still open (from any year); OR • Has open OIG audit findings (from any year) that are not overdue; OR • Sanctions were imposed in the last 3 federal fiscal years but have been removed. 	Medium	3			
iii. None of the above conditions exist.	Low	0			
1.D. Involuntarily Terminated Status Does the PJ have activities that failed to meet the 4-year project completion requirement or are at-risk of missing the 4-year project completion requirement? Risk is based on HOME regulations in 24 CFR § 92.205(e) that require the PJ to complete a HOME project within 4 years of executing a legally binding written agreement evidencing a commitment of HOME funds. Projects that do meet this requirement are automatically flagged for involuntary termination in HUD's Integrated Disbursement and Information System (IDIS). This score is auto-populated from IDIS data.					Yes
i. The PJ has at least one involuntarily terminated activity in IDIS.	High	10			
ii. The PJ has received at least one warning flag for involuntary termination within 30 and 90 days; OR the PJ has been flagged for involuntary termination in the past 365 days.	Medium	5			
iii. None of the above conditions exists.	Low	0			
1.E. Infrequent Draw Status Does the PJ have activities that are flagged for Infrequent Draw for 12 Months or More? Risk is based on HOME projects that are not disbursing funds timely, which may be an indication of stalled projects. IDIS automatically flags activities for which HOME funds have been disbursed, but there have not been any disbursements in a 12-month period. The risk is calculated by determining the average number of infrequent draw flags among					Yes

all activities with infrequent draw flags. This score is auto-populated from IDIS data.					
i. The PJ has an average of 4 or more flags for all activities flagged for Infrequent Draw for 12 months or more.	High	5			
ii. The PJ has an average of 2 or more, but fewer than 4 flags for all activities flagged for Infrequent Draw for 12 months or more.	Medium	3			
iii. The PJ has an average of fewer than 2 flags for activities flagged for Infrequent Draw for 12 months or more.	Low	0			
1.F. Percent of Infrequent Draw Status Does the PJ have activities that are flagged for Infrequent Draw for 12 Months or More? Risk is based on HOME projects that are not disbursing funds timely, which may be an indication of stalled projects. IDIS automatically flags activities for which HOME funds have been disbursed, but there haven't been any drawdowns in a 12-month period. The metric is calculated based on the percentage of all open HOME activities flagged for Infrequent Draws. This score is auto-populated from IDIS data.					Yes
i. 100% - 14% of the PJ's open HOME activities are flagged for Infrequent Draw for 12 months or more.	High	5			
ii. More than 0 and less than 14% of the PJ's open HOME activities are flagged for Infrequent Draw for 12 months or more.	Medium	3			
iii. The PJ has 0 HOME activities that are flagged for Infrequent Draw for 12 months or more.	Low	0			
1.G. Time to Project Completion Does the PJ take a reasonable amount of time, on average, to move HOME projects from commitment to completion in comparison to a significant majority of PJs? Risk is calculated based on the average number of years it takes for the PJ to complete HOME projects. This score is auto-populated from IDIS data.					Yes
i. The PJ is in the bottom one-third of PJs for the time it takes to move projects from commitment to completion.	High	10			
ii. The PJ is in between the bottom one-third and top one-third of PJs for the time it takes to move projects from commitment to completion.	Medium	5			
iii. The PJ is in the top one third of PJs for the time it takes to move projects from commitment to completion.	Low	0			
Subtotal for Grant Management (Max. 50 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT:

Factor Definition: The extent to which the PJ accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: Integrated Disbursement and Information System (IDIS), audit management systems, Single audits, audit or monitoring findings that require repayment or grant reduction, program income, PJ’s financial records, timeliness standards, and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and PJ performance reports. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment if appropriate.

The Evaluator will award point values to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
2.A. Audits required by 2 CFR § 200.501 Assessment is based on the submission of audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity’s fiscal year in Federal awards, with special emphasis placed on the review of the management letter that should accompany the audit, taking into consideration whether the PJ received a finding subject to a management decision letter. Audit deadlines are specified in 2 CFR § 200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits). This score is manually selected.					No
i. In the last 3 program years, the PJ met the audit threshold and: failed to submit or was not timely in submitting audits required under 2 CFR § 200.501; OR received <u>one or more</u> audit finding(s) subject to a management decision letter.	High	5			
ii. In all of the last three program years, the PJ did not meet the \$750,000 threshold to require Single Audit submission.	Medium	2			
iii. None of the above conditions exist.	Low	0			
2.B. Final Draw Status Does the PJ have activities that remain open 120 days or more after the final drawdown of HOME funds for a project? Risk is based on HOME regulations at 24 CFR § 92.502(d) that require					Yes

PJs to complete projects within 120 days of the final disbursement of funds in IDIS. Final Draw Status indicates the PJ has fully disbursed all funds committed to the project in IDIS. The score is derived by looking at the PJ's open HOME activity which has the most days since its final draw date. This score is auto-populated.					
i. The PJ has at least 1 open activity that was in Final Draw Status 120 days or more from the date the report/data is run.	High	5			
ii. The PJ has at least 1 open activity that was in Final Draw Status 30 days or more but fewer than 120 days from the date the report/data is run.	Medium	3			
iii. None of the above conditions exist.	Low	0			
2.C. Percentage of Funds Committed to Activities How much of a PJ's total allocation of HOME funds are committed to activities? Risk is based on the total amount of funds the PJ has committed to activities from all available allocations it has received. This score is auto-populated from IDIS data.					Yes
i. The PJ's percentage of funds committed to activities is in the bottom one-third of PJs.	High	10			
ii. The PJ's percentage of funds committed to activities is in the top two-thirds (66%) but under the top one-third (33%) of PJs.	Medium	5			
iii. The PJ's percentage of funds committed to activities is in the top one-third of PJs.	Low	0			
2.D. Allocation Years Unexpended Does the PJ have a large number of years' worth of unexpended HOME funds when compared to a recent HOME allocation? Risk is calculated based on the PJ's average number of years of unexpended HOME funds. The calculation takes a PJ's total LOCCS grant balance and divides it by the obligated amount of the PJ's recent fiscal year's HOME grant. This score is auto-populated from IDIS data.					Yes
i. The PJ is in the top one-third of PJs with years of unexpended HOME funds.	High	15			
ii. The PJ is in between the top one-third and bottom one-third of PJs with years of unexpended HOME funds.	Medium	10			
iii. The PJ is under the bottom one-third of PJs with years of unexpended HOME funds.	Low	0			

2.E. Repayments In the last 3 federal fiscal years, has the PJ repaid funds for ineligible costs or activities? Risk is calculated based on the amount of HOME funds repaid to the Treasury account, the local account, or through a voluntary grant reduction, as a percent of the PJ's recent fiscal year's HOME allocation. This score is auto-populated from IDIS data.					Yes
i. The PJ has repaid HOME funds in the last 3 federal fiscal years and the PJ's calculated risk is higher than the calculated risk in the top 50% of PJs that repaid HOME funds in the last 3 federal fiscal years.	High	10			
ii. The PJ has repaid HOME funds in the last 3 federal fiscal years, but its calculated risk is lower than the calculated risk of 50% of PJs that repaid HOME funds in the last 3 federal fiscal years.	Medium	7			
iii. The PJ has not repaid HOME funds in the last 3 federal fiscal years.	Low	0			
Subtotal for Financial Management (Max. 45 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which HUD program participants deliver a program that is compliant and clients express satisfaction or dissatisfaction with the delivery of program services.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, PJ responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of community support, failure to reply or submit reports, Consolidated Plan, Annual Action Plans, and Consolidated Annual Performance and Evaluation Reports (CAPERs) and other financial reporting, and auto-populated tracking systems.

The Evaluator will award a point value to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment if appropriate.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
3.A. Citizen Complaints / Negative Media Exposure / Responsiveness Risk is based on citizen complaints (received through such sources as citizen letters, phone calls, hotline complaints, etc.) or on negative media exposure (included in newspapers, internet postings, etc.) involving HOME funding, negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders and the PJ's timely and effective response to these issues. This score is manually selected.					No
i. <u>Significant</u> concerns. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> • The PJ received <i>significant</i>, valid citizen complaints, issues, or negative media exposure related to its HOME program; OR • The PJ failed to respond timely or effectively to complaints, issues and/or inquiries within the HUD prescribed timeframes. 	High	5			
ii. <u>Moderate</u> concerns. In the last 3 federal fiscal years, the PJ has had <i>moderate</i> , valid citizen complaints, issues, or negative media exposure related to its HOME program, but the PJ has responded timely and effectively to the complaints, issues and/or inquiries within the prescribed timeframes.	Medium	3			
iii. <u>No</u> concerns. In the last 3 federal fiscal years, the PJ has not had any instances of negative local issues, media exposure, or citizen complaints related to its HOME program.	Low	0			
Subtotal for Services and Satisfaction (Max. 5 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	50
2. Financial Management	45
3. Services & Satisfaction	5
Total	100

Attachment A-5

**Emergency Solutions Grants (ESG) Program
Formula Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department;
- The likelihood that a recipient has failed to comply with program requirements; or
- The recipient has performed unacceptably.

Recipient Risk is assessed to:

- Determine recipients that pose the highest risk to the Department;
- Identify recipients to be selected for monitoring; and
- Determine the most effective means to identify and carry out actions to increase recipient effectiveness.

In completing this worksheet, the Evaluator will provide an assessment of the recipient, using the four standard factors selected by the Department to determine the level of risk a recipient may pose to a HUD program. The four factors include: Grant Management, Financial Management, Services & Satisfaction, and Physical. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the factual information available on this recipient. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting system, the criteria are auto-populated with scores and comments. The evaluator may accept these auto-populated fields or edit as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator's Comments field.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the recipient has the capacity to carry out HUD programs according to established requirements.

Rating Considerations: The basis for the Evaluator's rating in this factor is based on information that directly evidences the recipient's capacity to administer the grant, including the scope of eligible activities and subrecipients; progress in implementing the project, changes in staff during the last year, lack of experience with Federal grants or project activities, and frequency and level of technical assistance required by the recipient/subrecipient to carry out activities. The following information and reporting systems can be considered, including but not limited to: Consolidated Plans, Consolidated Annual

ESG (Attachment A-5)

Performance and Evaluation Reports (CAPERs), Integrated Disbursement and Information System (IDIS), any fair housing planning performed by the recipient to support its obligation to affirmatively further fair housing as defined at 24 C.F.R. §5.151, Office of Inspector General (OIG) audits, and other reporting mechanisms and systems. Environmental Compliance, Relocation, and Acquisition Policies Compliance, and Flood Insurance Protection Compliance may be considered. ESG funds may be used for various eligible activities, including renovation and shelter operation activities. Each building renovated with ESG funds must be maintained as a shelter for homeless individuals and families for not less than a period of 3 or 10 years as specified in 24 CFR § 576.102(c)(1), unless the only ESG funds used for the renovation were ESG-CV funds (and/or FY2020 or earlier fiscal year ESG funds used in accordance with section IV of the [ESG-CV Notice \(Notice CPD-21-08\)](#)), the shelter meets the “temporary emergency shelter” definition in the ESG-CV Notice, and the building is used and disposed of as provided by 2 CFR § 200.311.) The 3- or 10-year period of use requirement starts on the date the building is first occupied by a homeless individual or family after the completed renovation.

The Rapid Unsheltered Survivor Housing (RUSH) program is a rapid response program to address homelessness by filling in federal assistance gaps in communities hit by disasters, which is funded under the ESG Program. All RUSH grants are to be included in the risk scores for factor 1.

The Evaluator will award point values to subfactors A and B. Choose only one risk score for each subfactor from the point values listed below. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
I.A. Reporting How would you rate the recipient’s overall reporting quality and timeliness? Consider report deadlines and the completeness and accuracy of information contained in the Con/Annual Action Plan, CAPER, and activity set-up/reporting in IDIS. This score is manually selected.					No
i. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> • The recipient submitted <u>two or more</u> late reports (<i>including</i> when extensions were granted); OR • <u>One or more</u> reports have been <i>significantly</i> incomplete or inaccurate (requiring substantial corrective measures, e.g. did not meet threshold, required extensive adjustment). 	High	8			
ii. In the last 3 federal fiscal years, any of the below criteria exist: <ul style="list-style-type: none"> • The recipient has submitted <u>one</u> late report; OR • <u>Any</u> reports were incomplete or inaccurate, but not significantly so; OR • Activity reporting in IDIS was incomplete, inaccurate, or lacked detail. 	Medium	4			
iii. In the last 3 federal fiscal years, none of the above conditions exist.	Low	0			
I.B. Staff Capacity (excluding Financial Staff)					

<p>Risk is based on current recipient staff capacity and its ability to ensure compliance with the program/cross-cutting regulations, fulfill all recipient obligations, and design a program appropriate to the level of its capacity. Staff capacity issues may include understaffing, vacancies, lack of experience relative to project/activity complexity, undertaking new activities, or unresponsiveness. Consider staff with assigned programmatic management and administrative responsibilities. This score is manually selected.</p>				No	
<p>i. <u>Significant</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The recipient’s program is more complex than the capacity, experience, or programmatic knowledge of its staff, <u>as evidenced through violations or failure to meet program requirements</u>; OR • A key position vacancy has existed for <u>more than 6 months</u>; OR • Staff is <u>regularly</u> unresponsive (e.g., often fails to respond timely to CPD outreach/inquiries/requests); OR • Staff capacity is unknown. 	High	8			
<p>ii. <u>Moderate</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The recipient’s program is more complex than the capacity, experience, or programmatic knowledge of its staff and negatively impacts performance, though <u>no violations or failure to meet program requirements have occurred</u>; OR • A key position vacancy has existed for <u>less than 6 months</u>; OR • Staff is <u>occasionally</u> unresponsive (e.g., on occasion fails to respond timely to CPD outreach/inquiries/requests). 	Medium	6			
<p>iii. <u>No</u> staff capacity issues. None of the above conditions exist</p>	Low	0			
<p>1.C. Monitoring / Audit History and Findings (includes CPD, OIG, DEC) Risk is based on prior CPD monitoring/OIG audits/DEC Reviews of the recipient’s program, the recipient’s performance regarding open monitoring and OIG findings, and other imposed sanctions. Include monitoring history and findings for programmatic, cross-cutting, and financial compliance. This score is auto-populated.</p>				Yes	
<p>i. Any of the below conditions exist for the recipient:</p>	High	9			

<ul style="list-style-type: none"> • <u>Not</u> monitored by CPD or subject to a DEC review (last 3 federal fiscal years); OR • Subject to an OIG audit (last 3 federal fiscal years); OR • Has <u>two or more</u> findings that are still open (from any year); OR • Has open OIG audit findings that are overdue (from any year); OR • Sanctions have been imposed that are still in place. 					
ii. Any of the below conditions exist for the recipient: <ul style="list-style-type: none"> • Has <u>one</u> finding that is still open (from any year); OR • Has open OIG audit findings (from any year) that are not overdue; OR • Sanctions were imposed in the last 3 federal fiscal years but have been removed. 	Medium	6			
iii. None of the above conditions exist.	Low	0			
1.D. Program Complexity Risk is based on recipient’s ability to administer complex program activities, as measured by overseeing multiple subrecipients. This score is auto-populated.					Yes
i. Recipient funds and oversees more than 20 subrecipients.	High	8			
ii. Recipient funds and oversees 10 –20 subrecipients.	Medium	6			
iii. Recipient funds and oversees fewer than 10 subrecipients.	Low	0			
1.E. Physical Condition of Emergency Shelters Risk is based on the recipient’s use of ESG funds for renovation or shelter operations, HUD monitoring of these physical assets, and the related emergency shelter’s physical condition. This score is auto-populated from GMP data.					Yes
i. HUD has not conducted a monitoring of the physical conditions of any ESG-funded emergency shelter within the last 3 federal fiscal years; OR previous monitoring findings (on-site or remote) concerning the physical condition of ESG-funded emergency shelters remain open.	High	7			
ii. HUD conducted a monitoring of the physical conditions of an ESG-funded emergency shelter within the past 3 federal fiscal years, but not during the last 2 federal fiscal years.	Medium	4			
iii. HUD has conducted an on-site review of the physical conditions of ESG-funded emergency shelters during the last 2 federal fiscal years AND there were no open findings relating to shelter standards;	Low	0			

OR recipient did not use ESG funds for renovation or shelter operations.					
Subtotal for Grant Management Assessment (Max. 40 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT

Factor Definition: Extent to which the recipient accounts for and manages financial resources in accordance with financial management standards and the amount of potential monetary exposure to the Department.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to, financial management and information systems, such as: Integrated Disbursement and Information System (IDIS), audit management systems, audits required by 2 CFR § 200.501, assessment of recipient’s drawdown history, submission of required documents, timeliness standards and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems and recipient performance reports.

The Rapid Unsheltered Survivor Housing (RUSH) program is a rapid response program to address homelessness by filling in federal assistance gaps in communities hit by disasters, which is funded under the ESG Program. All RUSH grants are to be included in the risk scores for factor 2.

The Evaluator will award point values to subfactor A and C. Choose only one risk score for each subfactor from the point values listed below. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
2.A. Audits required by 2 CFR § 200.501 Assessment is based on the submission of audits under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal awards, with special emphasis placed on the review of the management letter that should accompany the audit, taking into consideration whether or not the recipient received a finding subject to a management decision letter. Audit deadlines are specified in 2 CFR § 200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits). This score is manually selected.					No
i. In the last three program years, the recipient met the audit threshold and: failed to submit or was not timely in submitting audits required under 2 CFR § 200.501; OR received <u>one or more</u> audit finding(s) subject to a management decision letter.	High	5			
ii. In all of the last three program years, the recipient did not meet the \$750,000 threshold to require Single Audit submission.	Medium	2			
iii. None of the above conditions exist.	Low	0			

2.B. Grant Amount Risk is based upon the recipient's grant amount for the most recently completed program year. This score is auto-populated.					Yes
i. The recipient's grant amount for the most recently completed program year falls within the top 10% of all ESG grants awarded within the Field Office's jurisdiction for the same program year.	High	5			
ii. The recipient's grant amount for the most recently completed program year falls between 50-90% of all ESG- grants awarded within the Field Office's jurisdiction within the same program year.	Medium	3			
iii. The recipient's grant amount for the most recently completed program year falls within the lowest 50% of all ESG grants awarded within the Field Office's jurisdiction within the same program year.	Low	0			
2.C. Staff Capacity for Financial Compliance Risk is based on the key financial management staff's ability to administer the financial management responsibilities for the ESG program. Key financial management staff is defined as staff with direct oversight of financial records and/or distribution of program funds. This score is manually selected.					No
i. In the last 3 federal fiscal years: one or more violations, findings or concerns have been identified with respect to the recipient's compliance with 2 CFR part 200; OR one or more vacancies for key financial management staff of ESG programs have existed for more than 6 months.	High	10			
ii. In the last 3 federal fiscal years: one or more vacancies for key financial management staff have existed for the past 3 to 6 months; OR key financial management staff have been hired in the past program year and have not received financial management training.	Medium	5			
iii. No financial management deficiencies have been identified as evidenced through violations, findings, or concerns AND any key financial management staff vacancies have existed for less than 3 months AND any key staff hired in the past program year have received financial management training.	Low	0			
2.D. Program Administration Cap Risk is based on the recipient's ability to not exceed the administrative activities cap. This score is auto-populated.					Yes
i. Recipient has exceeded the administrative activities cap for the ESG program for the most recently completed program year.	High	5			

ii. Recipient has not exceeded the administrative activities cap for the most recent program year; however, the recipient has exceeded the cap one or more times within the last three program years.	Medium	3			
iii. Recipient has not exceeded the administrative activities cap during the three most recently completed program years.	Low	0			
2.E. 24-Month Expenditure Provisions Risk is based on the recipient meeting the 24-month expenditure deadline as evidenced by the most recent IDIS data available. This score is auto-populated.					Yes
i. The recipient has violated the most recent 24-month expenditure deadline.	High	10			
ii. Within the last three years, the recipient failed to meet the 24-month expenditure deadline at least once.	Medium	5			
iii. None of the above conditions exist.	Low	0			
Subtotal for Financial Management (Max. 35 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which program participants express satisfaction or dissatisfaction with the delivery of program services and the extent to which HUD recipients effectively and efficiently deliver services to intended beneficiaries/program participants.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to: client- or citizen-originated correspondence, recipient responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of recipient support, failure to reply or submit reports, Consolidated Plans, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs), automated tracking systems, correspondence, the release of funds requests, local-, HQ-, or recipient-generated automated reports or spreadsheets, and the Integrated Disbursement and Information System (IDIS). The Evaluator should consider the recipient’s overall effectiveness in carrying out program activities and delivery to target populations.

The Rapid Unsheltered Survivor Housing (RUSH) program is a rapid response program to address homelessness by filling in federal assistance gaps in communities hit by disasters, which is funded under the ESG Program. All RUSH grants are to be included in the risk scores for factor 3.

The Evaluator will award point values to subfactor A. Choose only one risk score for each subfactor from the point values listed below. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
3.A. Citizen Complaints / Negative Media Exposure / Responsiveness Risk is based on citizen complaints (received through such sources as citizen letters, phone calls, hotline complaints, etc.) or on negative media exposure (included in newspapers, internet postings, etc.) involving ESG funding, negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders and the recipient's timely and effective response to these issues. This score is manually selected.					No
i. Significant concerns. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> • The recipient received <i>significant</i>, valid citizen complaints, issues, or negative media exposure related to its ESG program; OR • The recipient failed to respond timely or effectively to complaints, issues and/or inquiries within the HUD prescribed timeframes. In the last three years, the recipient has negative local issues, media exposure, or citizen complaints related to the ESG program. 	High	13			
ii. Moderate concerns. In the last 3 federal fiscal years, the recipient has had <i>moderate</i> , valid citizen complaints, issues, or negative media exposure related to its ESG program, but the recipient has responded timely and effectively to the complaints, issues and/or inquiries within the prescribed timeframes.	Medium	8			
iii. No concerns. In the last 3 federal fiscal years, the recipient has not had any valid complaints, issues or negative media exposure related to its ESG program.	Low	0			
3.B. Homelessness Prevention Risk is based on the classification of Homelessness Prevention activities and the recipient's ability to carry out activities in compliance with program requirements. This score is auto-populated.					Yes
i. Homelessness Prevention activity costs exceeded 50 percent of the annual allocation.	High	6			

ii. Homelessness Prevention activities exceeded 30 percent of the annual allocation but did not exceed 50 percent of the annual allocation.	Medium	4			
iii. Homelessness Prevention activities are classified properly and are limited to no more than 30 percent of the annual allocation.	Low	0			
3.C. Street Outreach and Emergency Shelter Risk is based on the classification of Street Outreach and Emergency Shelter activities limited to no more than 60 percent of the annual allocation amount committed to homeless assistance activities and the recipient's ability to carry out activities in compliance with program requirements. This score is auto-populated.					Yes
i. Activity costs exceed 60 percent of the annual allocation.	High	6			
ii. Activity costs were equal to or less than 60 percent of the annual allocation.	Low	0			
Subtotal for Services and Satisfaction (Max. 25 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	40
2. Financial Management	35
3. Services & Satisfaction	25
Total	100

Attachment A-6

**Housing Opportunities for Persons with AIDS (HOPWA) Program
Formula Risk Analysis Worksheet
Competitive Risk Analysis Worksheet
Formula CARES Act Risk Analysis Worksheet
Competitive CARES Act Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department;
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance.

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department;
- Identify grantees to be selected for monitoring; and
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness.

In completing this worksheet, the Evaluator will provide an assessment of the HOPWA grantees using four standard factors selected by the Department to determine the level of risk a grantee may pose to a HUD program. The four factors are: Grant Management, Financial Management, Services & Satisfaction, and Physical Assets. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the information available on this grantee. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The evaluator may accept these auto-populated fields or edit, as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator's Comments field.

FACTOR 1 - GRANT MANAGEMENT

Factor Definition: Extent to which the grantee has the capacity to carry out the HOPWA/HOPWA-C/HOPWA-CV/HOPWA-C-CV program according to established requirements.

Rating Considerations: The basis for the Evaluator's rating in this factor is based on information that directly evidences the grantee's capacity to administer the grant, including the scope of eligible activities and recipients; progress in implementing the project, changes in key staff during the last year, changes in the agency's missions or direction, regulatory violations, experience with Federal grants or project activities, and frequency and level of technical assistance required

HOPWA (Attachment A-6)

by the grantee before and during a project. The following information and reporting systems can be considered, including, but not limited to: Consolidated Plans, annual performance data reported in Consolidated Annual Performance and Evaluation Reports (CAPERs) and Annual Performance Report (APRs), Technical Assistance Plans, the Integrated Disbursement and Information System (IDIS), Office of Inspector General (OIG) audits, Departmental Enforcement Center (DEC), any fair housing planning performed by the grantee to support its obligation to affirmatively further fair housing as defined at 24 C.F.R. §5.151, HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.15, and other reporting mechanisms and systems.

The Evaluator will award point values to subfactors C and D. Choose only one risk score for each subfactor from the point values listed below. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
1.A. Reporting Risk is based on the grantee meeting report deadlines, with the main considerations being timeliness, completeness, and accuracy of the information contained in the Annual Performance Report (APR) or Consolidated Annual Performance and Evaluation Report (CAPER) for the last three program years. The risk criteria will exclude the first submission of the HUD-4155 form. This score is auto-populated.					Yes
i. In the past 3 program years, the grantee submitted a report that meets at least two of the below criteria for being untimely, inaccurate, and/or incomplete: <ol style="list-style-type: none"> 1. was submitted more than 1 week (7 days) after the due date (untimely). 2. did not make Tier 1 (inaccurate and/or incomplete, excluding the first submission of the HUD-4155 form). 3. required more than 3 submissions through the data verification process to correct data quality issues. 	High	8			
ii. In the past 3 program years, a grantee submitted a report that did not make Tier 1 (excluding the first submission of the HUD-4155 form) OR was submitted more than 1 week (7 days) after the due date OR required more than 3 submissions through the data verification process to correct data quality issues.	Medium	4			
iii. In the past 3 program years, all reports submitted by grantee have been considered timely and complete.	Low	0			
1.B. Staff Capacity (excluding Financial Staff) Risk is based on recipient's current staff capacity and its ability to ensure compliance with the program/cross-cutting regulations, fulfill all recipient obligations, and design a program appropriate					No

<p>to the level of its capacity. Staff capacity issues may include under-staffing, vacancies, lack of experience relative to project/activity complexity, undertaking new activities, or unresponsiveness. Consider staff assigned programmatic management and administrative responsibilities. This score is manually selected.</p>					
<p>i. <u>Significant</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The grantee’s program is more complex than the capacity, experience, or programmatic knowledge of its staff, <u>as evidenced through violations or failure to meet program requirements</u>; OR • A key position vacancy has existed for <u>more than 6 months</u>; OR • Staff is <u>regularly</u> unresponsive (e.g., often fails to respond timely to CPD outreach/inquiries/requests); OR • Staff capacity is unknown. 	High	4			
<p>ii. <u>Moderate</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The grantee’s program is more complex than the capacity, experience, or programmatic knowledge of its staff and negatively impacts performance, <u>though no violations or failures to meet program requirements have occurred</u>; OR • A key position vacancy has existed for <u>less than 6 months</u>; OR • Staff is <u>occasionally</u> unresponsive (e.g., on occasion fails to respond timely to CPD outreach/inquiries/requests). 	Medium	2			
<p>iii. <u>No</u> staff capacity issues. None of the above conditions exist.</p>	Low	0			
<p>1.C. Monitoring / Audit History and Findings (includes CPD, OIG, DEC) Risk is based on prior CPD monitoring / OIG audits / DEC Reviews of the grantee’s program, the grantee’s performance regarding open monitoring and OIG findings, and other imposed sanctions. Include monitoring history and findings for programmatic, cross-cutting, and financial compliance. This score is auto-populated.</p>					Yes
<p>i. Any of the below conditions exist for the grantee:</p>	High	14			

<ul style="list-style-type: none"> • <u>Not</u> monitored by CPD or subject to a DEC review (last 3 federal fiscal years); OR • Subject to an OIG audit (last 3 federal fiscal years); OR • Has <u>two or more</u> findings that are still open (from any year); OR • Has open OIG audit findings that are overdue (from any year); OR • Sanctions have been imposed that are still in place. 					
ii. Any of the below conditions exist for the grantee: <ul style="list-style-type: none"> • Has <u>one</u> finding that is still open (from any year); OR • Has open OIG audit findings (from any year) that are not overdue; OR • Sanctions were imposed in the last 3 federal fiscal years but have been removed. 	Medium	7			
iii. None of the above conditions exists.	Low	0			
1.D. Program Complexity Risk is based on the grantee complexity in program design. Grantee information regarding the number of project sponsors is found in the grantee's Annual Performance Report (APR) or Consolidated Annual Performance and Evaluation Report (CAPER). This score is auto-populated.					Yes
i. A grantee carries out a program with four or more sponsors, and the grantee or sponsor receives funding from two or more additional entities (e.g., HHS, State, City, and Foundation) within the three most recent program years; OR the grantee carries out both formula and competitive HOPWA funds.	High	4			
ii. A grantee carries out a program with two to three sponsors; OR the grantee or sponsor receives funding from two or more additional entities (e.g., HHS, State, City, and Foundation) within the three most recent program years.	Medium	2			
iii. A grantee carries out a program with zero or only one project sponsor and the grantee or sponsor receives funding from fewer than two funding sources within the three most recent program years.	Low	0			
1.E. Program Compliance Risk is based on the length of time since the most recent monitoring of the HOPWA grantee. This score is auto-populated.					Yes
i. Grantee's HOPWA program has not been monitored in the last 3 federal fiscal years.	High	10			

ii. Grantee's HOPWA program was monitored in the last 3 federal fiscal years, but not within the last federal fiscal year.	Medium	5			
iii. None of the above conditions exist.	Low	0			
Subtotal for Grant Management (Max. 40 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT

Factor Definition: Extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: the Integrated Disbursement and Information System (IDIS), audit management systems, audits conducted under 2 CFR part 200, subpart F, assessment of grantee's drawdown history (i.e., IDIS/LOCCS/PAS), submission of required documents, timeliness standards and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems and grantee performance reports.

The Evaluator will award point values to subfactor A. Choose only one risk score for each subfactor from the point values listed below. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto Populated? Yes/No
2.A. Grantee Audits required by 2 CFR §200.501 Assessment is based on the submission of the audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal awards, with special emphasis placed on the review of the management letter that should accompany the audit, taking into consideration whether the grantee received a finding subject to a management decision letter. Audit deadlines are specified in 2 CFR § 200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits). This score is manually selected.					No
i. In the last three program years, the grantee met the audit threshold and: failed to submit or was not timely in submitting audits required by 2 CFR § 200.501; OR received <u>one or more</u> audit finding(s) subject to a management decision letter.	High	4			
ii. In all of the last three program years, the grantee did not meet the \$750,000 threshold to require Single Audit submission.	Medium	2			

iii. None of the above conditions exist.	Low	0			
2.B. Staff Capacity for Financial Compliance Risk is based on recipient's current staff capacity and its ability to ensure fiscal compliance with the program/cross-cutting regulations (ex. 2 CFR 200) and fulfill all recipient financial obligations. Staff capacity issues may include under-staffing, vacancies, lack of experience relative to fiscal compliance, undertaking new budget activities, lack of knowledge on HOPWA financial management and HUD financial systems (ex. IDIS, MicroStrategy Reports) or unresponsiveness. Consider staff assigned to fiscal management and administrative responsibilities. This score is manually selected.					No
i. <u>Significant</u> staff capacity issues. Considering <i>current</i> staff capacity, the grantee exhibits a lack of financial knowledge and skills required to administer the financial management responsibilities for the HOPWA program, <u>as evidenced through violations of 2 CFR 200 regulations and/or HOPWA grant agreements.</u>	High	4			
ii. <u>Moderate</u> staff capacity issues. Considering <i>current</i> staff capacity, the grantee exhibits a lack of financial knowledge and skills required to administer the financial management responsibilities for the HOPWA program, <u>though no violations of 2 CFR 200 and/or HOPWA grant agreements have occurred.</u>	Medium	2			
iii. No staff capacity issues. None of the above conditions exist.	Low	0			
2.C. Program Administration Cap Assessment is based upon the statutory percentage cap place on HOPWA grantees. The administrative cost cap is limited to a percent of the grantee awarded amount in (24 CFR § 574.300(b)(10)(i)) or Notice CPD-20-05 for CARES Act funding. The grantee's most recent administration expenditures can be viewed in HUD financial systems. This score is auto-populated.					Yes
i. The grantee has exceeded the administration cap within the last three most recent program years.	High	5			
ii. The grantee has not exceeded the administration cap within the three most recent program years	Low	0			
2.D. Proportionate Disbursement of Grant Funds Assessment of risk for this factor is based upon a review of the percentage of grant funds disbursed compared to the percentage					Yes

of grant term remaining in the period of performance. This score is auto-populated.					
i. Over 20% difference between the amount of time remaining in grant terms period of performance and percentage of funds disbursed.	High	6			
ii. 10%-19% difference between the amount of time remaining in the grant terms period of performance and the % of funds disbursed.	Medium	3			
iii. Less than 10% difference between percentage of time remaining in grant terms period of performance and percentage of funds disbursed	Low	0			
2.E. Delay in Contracting HOPWA-funds Assessment of risk for this factor is based upon a review of the amount of time between grant start and commitment in IDIS of HOPWA funds. This score is auto-populated.					Yes
i. 0% of HOPWA funds were committed to IDIS within 120 days of the grant start.	High	6			
ii. 1%-99% of HOPWA funds were committed to IDIS activities within 120 days of grant start.	Medium	3			
iii. 100% of HOPWA funds were committed to IDIS activities within 120 days of grant start.	Low	0			
2.F. Infrequent Financial Drawdowns Assessment of risk for this factor is based upon a review of timely financial drawdowns with the financial system by the grantee. This score is auto-populated.					Yes
i. Grantee has completed drawdowns of HOPWA funds during the grant period that are more than 90 days apart.	High	8			
ii. Grantee has completed drawdowns of HOPWA funds during the grant period that are 90 days apart or less.	Low	0			
Subtotal for Financial Management (Max. 33 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which HUD program participants effectively and efficiently deliver services to intended beneficiaries/clientele and clients or beneficiaries express satisfaction or dissatisfaction with the delivery of program services.

Rating Considerations: The Evaluator should consider the planned program support and how it is appropriately being carried out to address the intended range of housing needs and related supportive services issues, including any specialized efforts for sub-populations of homeless clients or difficulty in serving the proposed

number of participants or moving homeless/persons living with HIV/AIDS clients to permanent housing as well as considering information that could be obtained from, but not limited to: Freedom of Information Act (FOIA) requests; Consolidated Plans, Annual Action Plans, Annual Performance Reports (APR), Consolidated Annual Performance and Evaluation Reports (CAPERS), correspondence, local-, HQ-, or grantee-generated automated reports or spreadsheets, correspondence or other communication to HUD, the grantee or other parties with respect to the project and any written or other responses by the grantee, any recent problems, such as citizen complaints, newspaper articles, internet postings, Congressional inquiries, and other forms of correspondence, the grantee/project sponsor's response/failure to submit reports or respond to inquiries, and the loss of community support.

The Evaluator will award point values for subfactor A. Choose only one risk score for each subfactor from the point values listed below. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto Populated? Yes/No
3.A. Citizen Complaints / Negative Media Exposure / Responsiveness Risk is based on citizen complaints (received through such sources as citizen letters, phone calls, hotline complaints, etc.) or on negative media exposure (included in newspapers, internet postings, etc.) involving HOPWA funding, negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders and the grantee's timely and effective response to these issues. This score is manually selected.					No
i. <u>Significant</u> concerns. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> • The grantee received significant, valid citizen complaints, issues, or negative media exposure related to its HOPWA program; OR • The grantee failed to respond timely or effectively to complaints, issues and/or inquiries within the HUD prescribed timeframes. 	High	4			
ii. <u>Moderate</u> concerns. In the last 3 federal fiscal years, the grantee has had <i>moderate</i> , valid citizen complaints, issues, or negative media exposure related to its HOPWA program, but the recipient has responded timely and effectively to the complaints, issues and/or inquiries within the prescribed timeframes.	Medium	2			
.iii. <u>No</u> concerns. In the last 3 federal fiscal years, the grantee has not had any valid complaints, issues or negative media exposure related to its HOPWA program.	Low	0			

3.B. Low Access to Care Risk is based upon grantee compliance with obtaining programmatic goals for eligible HOPWA households. The risk criteria will exclude the first submission of the HUD-4155 form. This score is auto-populated.					Yes
i. Access to Care percentage is 50% or <u>below</u> for at least 2 ATC categories in the analysis (no matter if any ATC category is above 80%).	High	8			
ii. Access to Care percentage is <u>between</u> 79% - 51% for at least 2 or more ATC categories in the analysis	Medium	4			
iii. Access to Care percentage is <u>above</u> 80% for any one or more ATC categories in the analysis, and neither (i) nor (ii) is prevalent.	Low	0			
3.C. Exits to Non-Permanent Housing Outcome Risk is based upon grantee compliance with obtaining programmatic goals for eligible HOPWA households. The risk criteria will exclude the first submission of the HUD-4155 form. This score is auto-populated.					Yes
i. If participants exited to “unstable” housing averages <u>over</u> 15%. Programs include: TBRA, Permanent facility-based housing, STRMU (not counted in risk if “temporarily housed”).	High	6			
ii. If participants exited to “unstable” housing, averages between 11% - 15%. Programs include TBRA, Permanent facility-based housing, STRMU (not counted in risk if “temporarily housed”).	Medium	3			
iii. If participants exited to “unstable” housing average is <u>under</u> 10%. Programs include: TBRA, Permanent facility-based housing, STRMU (not counted in risk if “temporarily housed”).	Low	0			
Subtotal for Services and Satisfaction (Max. 18 pts.)	Subtotal				

FACTOR 4 – PHYSICAL ASSETS

Factor Definition: Extent to which HUD-funded physical assets are developed, maintained, and operated according to established standards.

Rating Consideration: The basis for the Evaluator’s rating is derived from HUD’s inspection of records and reports, observation of the grantee’s proper use of established forms and procedures, information received through public comments, A-133 or other audits, and Consolidated Plans, Annual Action Plans, Annual Performance Reports (APR), Consolidated Annual Performance and Evaluation Reports (CAPERS), and other sources of information. The Evaluator should consider any existing or previously identified problems with the physical assets and the extent to which problems have been or are likely to be corrected; whether

HUD funds are used for acquisition, construction, or rehabilitation activities; the number of sites at which HUD-funded physical assets are located and the activities supported by the physical asset and the extent of any previous on-site monitoring.

Factor 4, in its entirety, is auto-populated with scores and comments.

FACTOR 4 – PHYSICAL ASSETS	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto Populated? Yes/No
4.A. Operating Facility-based Program with HOPWA funds Risk for this factor is based upon the design, development, maintenance, and operation of HOPWA-funded physical assets. This score is auto-populated.					Yes
i. The grantee operates a facility-based program(s) with HOPWA funds AND the grantee has facility-based open and/or closed findings in the past three program years.	High	6			
ii. The grantee operates a facility-based program(s) with HOPWA funds but does not meet the criteria in (i).	Medium	3			
iii. None of the above conditions exist.	Low	0			
4.B. Acquisition, Constructions, and Rehabilitation of Physical Assets Assessment of this factor is based upon the grantee's use of program funds for acquisition, construction, and rehabilitation within the past three program years. This score is auto-populated.					Yes
i. The grantee has used HOPWA funds for the acquisition or construction or \$20k or more in rehabilitation funds or used HOPWA funds to repair a current property for housing or residential program any instance within the three most recent program years.	High	3			
ii. The grantee has used under \$20k in HOPWA funds for the minor rehabilitation or repair of a physical asset; OR used HOPWA funds to repair a current property for housing or residential program any instance within the three most recent program years. Grantee did not use any HOPWA funds on acquisition or construction.	Medium	2			
iii. No HOPWA funds have been utilized for the acquisition, construction, or any rehabilitation of a physical asset, excluding minor maintenance or repairs within the three most recent program years.	Low	0			

Subtotal for Physical Assets (Max. 9 pts.)	Subtotal				
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Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	40
2. Financial Management	33
3. Services & Satisfaction	18
4. Physical Assets	9
Total	100

Attachment A-7

**Community Development Block Grant Program Coronavirus Response Grants (CDBG-CV)
Formula Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department;
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance.

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department;
- Identify grantees to be selected for monitoring; and
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness.

In completing this worksheet, the Evaluator will provide an assessment of the grantee, using three of the four standard factors selected by the Department to determine the level of risk a grantee may pose to a HUD program. These factors include Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. You are to choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the information available on this grantee. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The evaluator may accept these auto-populated fields or edit as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator's Comments field.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the program participant has the capacity to carry out HUD programs according to established requirements.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills, and ability of program staff, and the grantee's administrative capacity to manage the grant, including: the grantee's ability to provide timely reports that are complete and accurate; the complexity of the grantee's program; the grantee's management of its subrecipients; open and

unresolved findings; or problems such as open or stalled activities, staff turnover, lack of experience with Federal grants or project activities, and program workload. The following information and reporting systems should be considered, including but not limited to: Consolidated Plans, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs), Performance and Evaluation Reports (PERs), Technical Assistance Plans, the Integrated Disbursement and Information System (IDIS), Office of Inspector General (OIG) audits, any fair housing planning performed by the grantee to support its obligation to affirmatively further fair housing as defined at 24 C.F.R. §5.151, HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.5, and related reporting mechanisms and systems.

The Evaluator will award point values to subfactors A, B, and F. Choose only one risk score for these three subfactors from the point values listed below and enter the associated comment(s). The scores and comments for the remaining subfactors are auto-populated from IDIS data.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
1.A. Reporting How would you rate the grantee’s overall reporting quality and timeliness? Consider report deadlines and the completeness and accuracy of information contained in the Con/Annual Action Plan, CAPER or PER, Financial Reporting (including the PR26 (Entitlement) or PR28 (State)), and activity set-up/reporting in IDIS. This score is manually selected.					No
i. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> • The grantee submitted <u>two or more</u> late reports (<i>including</i> when extensions were granted); OR • <u>One or more</u> reports have been <i>significantly</i> incomplete or inaccurate (requiring substantial corrective measures, e.g. did not meet threshold, required extensive adjustment). 	High	8			
ii. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> • The grantee has submitted <u>one</u> late report; OR • <u>Any</u> reports were incomplete or inaccurate, but not significantly so; OR • Activity reporting in IDIS was incomplete, inaccurate, or lacked detail. 	Medium	4			
iii. In the last 3 federal fiscal years, none of the above conditions exist.	Low	0			
1.B. Staff Capacity (including Financial Staff) Risk is based on current grantee staff capacity and its ability to					No

<p>ensure compliance with the program/cross-cutting regulations, fulfill all grantee obligations, and design a program appropriate to the level of its capacity. Staff capacity issues may include understaffing, vacancies, lack of experience relative to project/activity complexity, undertaking new activities, or unresponsiveness. Consider staff with assigned programmatic management, administrative, or financial responsibilities. This score is manually selected.</p>					
<p>i. <u>Significant</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The grantee’s program is more complex than the capacity, experience, or programmatic/financial knowledge of its staff, <u>as evidenced through violations or failure to meet program requirements</u>; OR • A key position vacancy has existed for <u>more than</u> 6 months; OR • Staff is <u>regularly</u> unresponsive (e.g., often fails to respond timely to CPD outreach/inquiries/requests); OR • Staff capacity is unknown. 	High	10			
<p>ii. <u>Moderate</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The grantee’s program is more complex than the capacity, experience, or programmatic/financial knowledge of its staff and negatively impacts performance, though <u>no violations or failure to meet program requirements have occurred</u>; OR • A key position vacancy has existed for <u>less than</u> 6 months; OR • Staff is <u>occasionally</u> unresponsive (e.g., on occasion fails to respond timely to CPD outreach/inquiries/requests). 	Medium	5			
<p>iii. <u>No</u> staff capacity issues. None of the above conditions exist.</p>	Low	0			
<p>1.C. Monitoring / Audit History and Findings (includes CPD, OIG, DEC) Risk is based on prior CPD monitoring / OIG audits / DEC Reviews of the grantee’s program, the grantee’s performance regarding open monitoring and OIG findings, and other imposed sanctions. Include monitoring history and findings for programmatic, cross-cutting, and financial compliance. This score is auto-populated.</p>					Yes

<p>i. Any of the below conditions exist for the grantee:</p> <ul style="list-style-type: none"> • <u>Not</u> monitored by CPD or subject to a DEC review (last 3 federal fiscal years); OR • Subject to an OIG audit (last 3 federal fiscal years); OR • Has <u>two or more</u> findings that are still open (from any year); OR • Has open OIG audit findings that are overdue (from any year); OR • Sanctions have been imposed that are still in place. 	High	8			
<p>ii. Any of the below conditions exist for the grantee:</p> <ul style="list-style-type: none"> • Has <u>one</u> finding that is still open (from any year); OR • Has open OIG audit findings (from any year) that are not overdue; OR • Sanctions were imposed in the last 3 federal fiscal years but have been removed. 	Medium	4			
<p>iii. None of the above conditions exist.</p>	Low	0			
<p>1.D. Management of Subrecipients Risk is based on the grantee’s management of its subrecipients and contractors. Subrecipients include units of general local government for States. This score is manually selected.</p>					
<p>i. Grantee has demonstrated a lack of management over its subrecipients or contractors. This has been demonstrated by, including but not limited to, the lack of a program monitoring and training schedule, late or inaccurate reporting on activities and/or projects, missing or inaccurate accomplishments being reported in IDIS, its recordkeeping system, HUD subrecipient management monitoring findings within the last three grant years, etc.</p>	High	10			
<p>ii. Grantee uses subrecipients to administer the program or relies on a contractor to deliver program services but has not demonstrated a lack of management over its subrecipients or contractors. This “medium” risk category does not apply to State grantees.</p>	Medium	5			
<p>iii. None of the above conditions exist.</p>	Low	0			
<p>1.E. At-Risk Flags in IDIS Are a high percentage of open CDBG-CV activities flagged in IDIS as at-risk? The flags include: 1) an activity has infrequent draws (for most activities, if there are no draws for a year or more, the activity will be flagged. For planning and administration activities, two years are allowed without a draw, or</p>					

three years for State CDBG-CV); 2) an activity has been open for three or more years, and no accomplishments have been reported' and 3) the activity is 80% drawn down, but no accomplishments have been reported. Note: Certain public facilities and economic development activities are not flagged. This score is auto-populated from IDIS data.					
i. Percent of "Open" activities flagged as at-risk is more than 50%, or the amount of funds committed to the at-risk activities is more than 50% of funds that are committed to all "Open" activities; OR the amount of funds committed to at-risk activities is more than two times the current year's allocation.	High	8			
ii. Percent of "Open" activities flagged as at-risk is less than 50%, or the amount of funds committed to the at-risk activities is less than 50% of funds that are committed to all "Open" activities; OR the amount of funds committed to at-risk activities is less than two times the current year allocation.	Medium	4			
iii. The grantee has no at-risk flags, or a low percentage of activities is flagged.	Low	0			
1.F. Economic Development Activities Risk is based on the grantee's expending a significant amount of CDBG-CV funding for economic development activities. This score is auto-populated from IDIS data.					Yes
i. Expenditures for economic development activities are 30 percent or more of its CDBG-CV grant.	High	8			
ii. The above condition doesn't exist.	Low	0			
Subtotal for Grant Management (Max. 52 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT:

Factor Definition: The extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: Integrated Disbursement and Information System (IDIS), audit management systems, Single audits, findings that require repayment or grant reduction, program income, the operation of Revolving Loan Funds (RLFs), Section 108 Loan Guarantees, grantee's financial records, timeliness standards, and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and grantee performance reports.

The Evaluator will award point values to subfactors A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment. The scores and comments for the remaining subfactors are auto-populated from IDIS data.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
2.A. Audits required by 2 CFR § 200.501 Assessment is based on the submission of audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal awards, with special emphasis placed on the review of the management letter that should accompany the audit, taking into consideration whether the grantee received a finding subject to a management decision letter. Audit deadlines are specified in 2 CFR § 200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits). This score is manually selected.					No
i. In the last three program years, the grantee met the audit threshold and: failed to submit or was not timely in submitting audits required under 2 CFR § 200.501; OR received <u>one or more</u> audit finding(s) subject to a management decision letter.	High	8			
ii. In all of the last three program years, the grantee did not meet the \$750,000 threshold to require Single Audit submission.	Medium	4			
iii. None of the above conditions exist	Low	0			
2.B. Administration and Planning Cap Is the grantee within the 20% cap on administration, management, and planning costs? If a State grantee, is it within the 5% caps on State administration costs and the 2% cap on Technical Assistance costs? This score is auto-populated from IDIS data.					Yes
i. The grantee has exceeded the cap for administration, management, and planning costs (All grantees) or for administration or technical assistance costs (State grantees only).	High	8			
ii. The grantee has not exceeded the applicable caps.	Low	0			
2.C. Voucher Revisions Risk is based on the grantee's having numerous or large voucher revisions in IDIS. "Numerous" refers to having 20 revisions or more for any year in the last three years. "Large" refers to total revisions of \$500,000 or more in the last three years. This score is auto-populated from IDIS data.					Yes

i. The grantee has voucher revisions totaling over \$500,000 in the last three years; OR has 20 or more voucher revisions in the last three years.	High	8			
ii. The grantee has voucher revisions in the past three years of lesser amount and number than (i) above.	Medium	4			
iii. The grantee did not revise a voucher in the past three years.	Low	0			
2.D. Expenditure Rate and Requirements Risk is based on the grantee's rate of expenditures (i.e., whether the grantee is on pace to expend 100% of its grant award(s) within the six-year period of performance (PoP)). The 100 percent expenditure rate criterion is first measured in the 4th year of the PoP. This score is auto-populated from IDIS data.					Yes
i. The grantee is not on pace to meet the expenditure requirement; OR the grantee has failed to meet the expenditure requirement.	High	12			
ii. The grantee has met or is on pace to meet its expenditure requirement.	Low	0			
Subtotal for Financial Management (Max. 36 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which HUD program participants deliver a program that is compliant and clients express satisfaction or dissatisfaction with the delivery of program services.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, grantee responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of community support, failure to reply or submit reports, Consolidated Plan, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs) or Performance and Evaluation Report (PERs), other financial reporting, and auto-populated tracking systems.

The Evaluator will award a point value to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
3.A. Citizen Complaints / Negative Media Exposure / Responsiveness Risk is based on citizen complaints (received through such sources as citizen letters, phone calls, hotline complaints, etc.) or					No

on negative media exposure (included in newspapers, internet postings, etc.) involving CDBG-CV funding, negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders and the grantee's timely and effective response to these issues. This score is manually selected.					
i. <u>Significant</u> concerns. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> The grantee received <i>significant</i>, valid citizen complaints, issues, or negative media exposure related to its CDBG-CV program; OR The grantee failed to respond timely or effectively to complaints, issues and/or inquiries within the HUD prescribed timeframes. 	High	12			
ii. <u>Moderate</u> concerns. In the last 3 federal fiscal years, the grantee has had <i>moderate</i> , valid citizen complaints, issues, or negative media exposure related to its CDBG-CV program, but the recipient has responded timely and effectively to the complaints, issues and/or inquiries within the prescribed timeframes.	Medium	6			
iii. <u>No</u> concerns. In the last 3 federal fiscal years, the grantee has not had any complaints, issues or negative media exposure related to its CDBG-CV program.	Low	0			
Subtotal for Services and Satisfaction (Max. 12 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	52
2. Financial Management	36
3. Services & Satisfaction	12
Total	100

Attachment A-8

**Emergency Solutions Grants - Coronavirus (ESG-CV)
Formula Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department;
- The likelihood that a recipient has failed to comply with program requirements; or
- The recipient has performed unacceptably.

Recipient Risk is assessed to:

- Determine recipients that pose the highest risk to the Department;
- Identify recipients to be selected for monitoring; and
- Determine the most effective means to identify and carry out actions to increase recipient effectiveness.

In completing this worksheet, the Evaluator will provide an assessment of the recipient, using the four standard factors selected by the Department to determine the level of risk a recipient may pose to a HUD program. The four factors include: Grant Management, Financial Management, Services & Satisfaction, and Physical. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting system, the criteria are auto-populated with scores and comments. The evaluator may accept these auto-populated fields or edit as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator's Comments field.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the recipient has the capacity to carry out HUD programs according to established requirements.

Rating Considerations: The basis for the Evaluator's rating in this factor is based on information that directly evidences the recipient's capacity to administer the grant, including the scope of eligible activities and subrecipients; progress in implementing the project, changes in staff during the last year, lack of experience with Federal grants or project activities, and frequency and level of technical assistance required by the recipient/subrecipient to carry out activities. The following submissions, information, and reporting systems can be considered, including but not limited to: Consolidated Plans, Quarterly

ESG-CV (Attachment A-8)

Performance Reports (QPRs), Integrated Disbursement and Information System (IDIS), any fair housing planning performed by the grantee to support its obligation to affirmatively further fair housing as defined at 24 C.F.R. §5.151, Office of Inspector General (OIG) audits, and other reporting mechanisms and systems. Environmental Compliance, Relocation, and Acquisition Policies Compliance, and Flood Insurance Protection Compliance may be considered. ESG-CV funds may be used for various activities as provided in the ESG-CV Notice, including shelter renovation and shelter operation activities. Each building renovated with ESG-CV funds must be maintained as a shelter for homeless individuals and families for not less than a period of 3 or 10 years as specified in 24 CFR § 576.102(c)(1), unless the only ESG funds used for the renovation were ESG-CV funds (and/or FY2020 or earlier fiscal year ESG funds used in accordance with section IV of the [ESG-CV Notice \(Notice CPD-21-08\)](#)), the shelter meets the “temporary emergency shelter” definition in the ESG-CV Notice, and the building is used and disposed of as provided by 2 CFR § 200.311.

The Evaluator will award point values to subfactors A, B and C. Choose only one risk score for each subfactor from the point values listed below and enter the associated comment. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
I.A. Reporting How would you rate the recipient’s overall reporting quality and timeliness? Consider report deadlines and the completeness and accuracy of information contained in the Con/Annual Action Plan, QPR, and activity set-up/reporting in IDIS. This score is manually selected.					No
i. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> The recipient submitted <u>two or more</u> late reports (<i>including</i> when extensions were granted); OR <u>One or more</u> reports have been <i>significantly</i> incomplete or inaccurate (requiring substantial corrective measures, e.g. did not meet threshold, required extensive adjustment) 	High	8			
ii. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> The recipient has submitted <u>one</u> late report; OR <u>Any</u> reports were incomplete or inaccurate, but not significantly so; OR Activity reporting in IDIS was incomplete, inaccurate, or lacked detail 	Medium	4			
iii. In the last 3 federal fiscal years, none of the above conditions exist.	Low	0			
I.B. Staff Capacity (excluding Financial Staff) Risk is based on current recipient staff capacity and its ability to ensure compliance with program/cross-cutting regulations, fulfill all					No

recipient obligations, and design a program appropriate to the level of its capacity. Staff capacity issues may include under-staffing, vacancies, lack of experience relative to project/activity complexity, undertaking new activities, or unresponsiveness. Consider staff with assigned programmatic management and administrative responsibilities. This score is manually selected.					
i. <u>Significant</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist: <ul style="list-style-type: none"> The recipient's program is more complex than the capacity, experience, or programmatic knowledge of its staff, <u>as evidenced through violations or failure to meet program requirements</u>; OR A key position vacancy has existed for <u>more than</u> 6 months; OR Staff is <u>regularly</u> unresponsive (e.g., often fails to respond timely to CPD outreach/inquiries/requests); OR Staff capacity is unknown. 	High	8			
ii. <u>Moderate</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist: <ul style="list-style-type: none"> The recipient's program is more complex than the capacity, experience, or programmatic knowledge of its staff and negatively impacts performance, <u>though no violations or failure to meet program requirements have occurred</u>; OR A key position vacancy has existed for <u>less than</u> 6 months; OR Staff is <u>occasionally</u> unresponsive (e.g., on occasion fails to respond timely to CPD outreach/inquiries/requests). 	Medium	6			
iii. <u>No</u> staff capacity issues. None of the above conditions exist.	Low	0			
1.C. Monitoring / Audit History and Findings (includes CPD, OIG, DEC) Risk is based on prior CPD monitoring/OIG audits/DEC Reviews of the recipient's program, the recipient's performance regarding open monitoring and OIG findings, and other imposed sanctions. Include monitoring history and findings for programmatic, cross-cutting, and financial compliance. This score is auto-populated.					Yes
i. Any of the below conditions exist for the recipient: <ul style="list-style-type: none"> <u>Not</u> monitored by CPD or subject to a DEC review (last 3 federal fiscal years); OR Subject to an OIG audit (last 3 federal fiscal years); OR 	High	9			

<ul style="list-style-type: none"> Has <u>two or more</u> findings that are still open (from any year); OR Has open OIG audit findings that are overdue (from any year); OR Sanctions have been imposed that are still in place. 					
ii. Any of the below conditions exist for the recipient: <ul style="list-style-type: none"> Has <u>one</u> finding that is still open (from any year); OR Has open OIG audit findings (from any year) that are not overdue; OR Sanctions were imposed in the last 3 federal fiscal years but have been removed. 	Medium	6			
iii. None of the above conditions exist.	Low	0			
I.D. Program Complexity Risk based on recipient's ability to administer complex program activities, as measured by overseeing multiple subrecipients. This score is auto-populated.					Yes
i. Recipient funds and oversees more than 20 subrecipients	High	8			
ii. Recipient funds and oversees 10 – 20 subrecipients.	Medium	6			
iii. Recipient funds and oversees fewer than 10 subrecipients.	Low	0			
I.E. Physical Condition of Emergency Shelters Risk is based on the recipient's use of ESG-CV funds for renovation or shelter operations, HUD monitoring of these physical assets, and the related emergency shelter's physical condition. This score is auto-populated from GMP data.					Yes
i. HUD has not conducted a monitoring review of the physical conditions of any ESG-CV-funded emergency shelter within the last 3 federal fiscal years; OR previous monitoring findings (on-site or remote) concerning the physical condition of ESG-CV-funded emergency shelters remain open.	High	7			
ii. HUD conducted a monitoring review of the physical conditions of an ESG-CV funded emergency shelter within the last 3 federal fiscal years, but not during the last 2 federal fiscal years.	Medium	4			
iii. HUD has conducted an on-site review of the physical conditions of ESG-CV-funded emergency shelters during the last 2 federal fiscal years AND there are no open findings relating to shelter standards; OR recipient did not use ESG-CV funds for renovation or shelter operations.	Low	0			
Subtotal for Grant Management (Max. 40 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT

Factor Definition: Extent to which the recipient accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to, financial management and information systems such as: Integrated Disbursement and Information System (IDIS), audit management systems, audits required by 2 CFR § 200.501, assessment of recipient’s drawdown history, submission of required documents, timeliness standards and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems and recipient performance reports.

The Evaluator will award point values to subfactor C. Choose only one risk score for the subfactor from the point values listed below and enter the associated comment. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
2.A. Audits required by 2 CFR § 200.501 Assessment is based on the submission of audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity’s fiscal year in Federal award, with special emphasis placed on the review of the management letter that should accompany the audit, taking into consideration whether the grantee received a finding subject to a management decision letter. Audit deadlines are specified in 2 CFR §200.507(c)(1) (for program-specific audits) and 2 CFR §200.512(a)(1) (for single audits). This score is manually selected.					No
i. In the last three program years, the recipient met the audit threshold and: failed to submit or was not timely in submitting audits required under 2 CFR § 200.501; OR received <u>one or more</u> audit finding(s) subject to a management decision letter.	High	5			
ii. In all of the last three program years, the recipient did not meet the \$750,000 threshold to require Single Audit submission.	Medium	2			
iii. None of the above conditions exist.	Low	0			
2.B. Grant Amount Risk is based upon the recipient’s grant amount for the most recently completed program year. This score is auto-populated.					Yes
i. The recipient’s ESG-CV grant amount falls within the top 10% of all ESG-CV grants awarded within the Field Office’s jurisdiction.	High	5			
ii. The recipient’s ESG-CV grant amount falls between 50-90% of all ESG-CV grants awarded within the Field Office’s jurisdiction.	Medium	3			

iii. The recipient's ESG-CV grant amount falls within the lowest 50% of all ESG-CV grants awarded within the Field Office's jurisdiction.	Low	0			
2.C. Staff Capacity for Financial Compliance Risk is based on the key financial management staff's ability to administer the financial management responsibilities for ESG-CV program. Key financial management staff is defined as staff with direct oversight of financial records and/or distribution of program funds. This score is manually selected.					No
i. During the last three program years: one or more violations, findings, or concerns have been identified with respect to the recipient's compliance with 2 CFR part 200; OR one or more vacancies for key financial management staff for the ESG-CV program have existed for more than six months.	High	10			
ii. One or more vacancies for key financial management staff have existed for the past three to six months; OR key financial management staff have been hired in the past program year and have not received financial management training.	Medium	5			
iii. No financial management deficiencies have been identified as evidenced through violations, findings, or concerns AND any key financial management staff vacancies have existed for fewer than three months AND any key staff hired in the past program year has received financial management training.	Low	0			
2.D. Program Administration Cap Risk is based on the recipient's ability to not exceed the administrative activities cap. This score is auto-populated.					Yes
i. The recipient's expenditures for administrative activities exceed the cap of 10% for its ESG-CV grant.	High	5			
iii. The recipient has not exceeded the 10% administrative activities cap for its ESG-CV grant.	Low	0			
2.E. Expenditure and Draw Requirements Risk is based on the recipient meeting the ESG-CV expenditure and draw deadlines. This score is auto-populated.					Yes
i. The recipient had ESG-CV funds recaptured due to noncompliance with requirement to draw down 50% of its ESG-CV grant by 6/16/2022 AND did not meet the 9/30/2021 deadline for expending 20% of its ESG-CV grant.	High	10			
ii. The recipient did not meet the 9/30/2021 deadline for expending 20% of its ESG-CV grant but did meet the requirement to draw down 50% of its ESG-CV grant by 6/16/2022.	Medium	5			

iii. None of the above conditions exist..	Low	0			
Subtotal for Financial Management (Max. 35 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which program participants express satisfaction or dissatisfaction with the delivery of program services and the extent to which HUD recipients effectively and efficiently deliver services to intended beneficiaries/program participants.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to: client or citizen-originated correspondence, recipient responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of recipient support, failure to reply or submit reports, Consolidated Plans, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs), automated tracking systems, correspondence, the release of funds requests, local, HQ-, or recipient-generated automated reports or spreadsheets, and the Integrated Disbursement and Information System (IDIS). The Evaluator should consider the recipient’s overall effectiveness in carrying out program activities and delivery to target populations.

The Evaluator will award point values to subfactor A. Choose only one risk score for the subfactor from the point values listed below and enter the associated comment. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
3.A. Citizen Complaints / Negative Media Exposure / Responsiveness Risk is based on citizen complaints (received through such sources as citizen letters, phone calls, hotline complaints, etc.) or on negative media exposure (included in newspapers, internet postings, etc.) involving ESG-CV funding, negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders and the recipient’s timely and effective response to these issues. This score is manually selected.					No
i. <u>Significant</u> concerns. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> The recipient received <i>significant</i>, valid citizen complaints, issues, or negative media exposure related to its ESG-CV program; OR 	High	13			

<ul style="list-style-type: none"> The recipient failed to respond timely or effectively to complaints, issues and/or inquiries within the HUD prescribed timeframes. 					
ii. <u>Moderate</u> concerns. In the last 3 federal fiscal years, the recipient has had <i>moderate</i> , valid citizen complaints, issues, or negative media exposure related to its ESG-CV program, but the recipient has responded timely and effectively to the complaints, issues and/or inquiries within the prescribed timeframes.	Medium	8			
iii. <u>No</u> concerns. In the last 3 federal fiscal years, the recipient has not had any valid complaints, issues or negative media exposure related to its ESG-CV program.	Low	0			
3.B. Homelessness Prevention Risk is based on the classification of Homelessness Prevention activities and the recipient's ability to carry out activities in compliance with program requirements. This score is auto-populated.					Yes
i. Homelessness Prevention activity costs exceeded 50% of the allocation.	High	6			
ii. Homelessness Prevention activities exceeded 30% of the allocation but did not exceed 50% of the allocation.	Medium	4			
iii. Homelessness Prevention activities are classified properly and are limited to no more than 30% of the allocation.	Low	0			
3.C. Street Outreach and Emergency Shelter Risk is based on the recipient's ability to carry out Street Outreach and/or Emergency Shelter activities in compliance with program requirements. This score is auto-populated.					Yes
i. Activity costs exceed 60% of allocation.	High	6			
ii. Activity costs are equal to or less than 60% of allocation.	Low	0			
Subtotal for Services and Satisfaction (Max. 25 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	40
2. Financial Management	35
3. Services & Satisfaction	25
Total	100

Attachment A-9

**Recovery Housing Program (RHP)
Formula Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department;
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance.

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department;
- Identify grantees to be selected for monitoring; and
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness.

In completing this worksheet, the Evaluator will provide an assessment of the grantee, using three of the four standard factors selected by the Department to determine the level of risk a grantee may pose to a HUD program. These factors include Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the information available on this grantee. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The evaluator may accept these auto-populated fields or edit as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator's Comments field.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the program participant has the capacity to carry out HUD programs according to established requirements.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills, and ability of program staff, and the grantee's administrative capacity to manage the grant, including: the grantee's ability to provide timely reports that are complete and accurate; the complexity of the grantee's program; the grantee's management of its subrecipients; open and unresolved findings; or problems such as open or stalled activities, staff turnover, lack of experience with Federal grants or project activities, and program workload. The following information and reporting systems should be considered, including but not limited to: Action Plans, Performance Reports (PRs), Technical Assistance (TA) Plans, Disaster Recovery Grant Reporting (DRGR), Office of Inspector General (OIG) audits, any fair housing planning performed by

RHP (Attachment A-9)

the grantee to support its obligation to affirmatively further fair housing as defined at 24 C.F.R. §5.151, HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.5, and related reporting mechanisms and systems.

The Evaluator will award point values to subfactors B and H. Choose only one risk score for these subfactors from the point values listed below and enter the associated comment(s). The scores and comments for the remaining subfactors are auto-populated.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
1.A. Reporting How would you rate the grantee's overall reporting quality and timeliness? Risk is based on the grantee meeting report deadlines with primary consideration given to quality, completeness, and accuracy of the information contained in the Action Plan and Annual Performance Report (PR). This score is auto-populated.					Yes
i. In the last three years: the grantee has not been timely in submitting at least two reports; OR at least two reports have not been complete and/or accurate.	High	6			
ii. In the last three years: grantee has submitted at most one report that has not been complete, timely, and/or accurate.	Medium	4			
iii. In the last three years: the grantee has been timely with submitting its reports, and they have been complete and accurate.	Low	0			
1.B. Staff Capacity (including Financial Staff) Risk is based on current grantee staff capacity and its ability to ensure compliance with the program/cross-cutting regulations, fulfill all grantee obligations, and design a program appropriate to the level of its capacity. Staff capacity issues may include understaffing, vacancies, lack of experience relative to project/activity complexity, undertaking new activities, or unresponsiveness. Consider staff with assigned programmatic management, administrative, or financial responsibilities. This score is manually selected.					No
i. <u>Significant</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist: <ul style="list-style-type: none"> • The grantee's program is more complex than the capacity, experience, or programmatic/financial knowledge of its staff, <u>as evidenced through violations or failure to meet program requirements</u>; OR • A key position vacancy has existed for <u>more than</u> 6 months; OR 	High	6			

<ul style="list-style-type: none"> Staff is <u>regularly</u> unresponsive (e.g., often fails to respond timely to CPD outreach/inquiries/requests); OR Staff capacity is unknown. 					
ii. <u>Moderate</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist: <ul style="list-style-type: none"> The grantee’s program is more complex than the capacity, experience, or programmatic/financial knowledge of its staff and negatively impacts performance, though <u>no violations or failure to meet program requirements have occurred</u>; OR A key position vacancy has existed for <u>less than</u> 6 months; OR Staff is <u>occasionally</u> unresponsive (e.g., on occasion fails to respond timely to CPD outreach/inquiries/requests). 	Medium	4			
iii. <u>No</u> staff capacity issues. None of the above conditions exist.	Low	0			
1.C. Monitoring / Audit History and Findings (includes CPD, OIG, DEC) Risk is based on prior CPD monitoring/OIG audits/DEC Reviews of the grantee’s program, the grantee’s performance regarding open monitoring and OIG findings, and other imposed sanctions. Include monitoring history and findings for programmatic, cross-cutting, and financial compliance. This score is auto-populated.					Yes
i. Any of the below conditions exist for the grantee: <ul style="list-style-type: none"> <u>Not</u> monitored by CPD or subject to a DEC review (last 3 federal fiscal years); OR Subject to an OIG audit (last 3 federal fiscal years); OR Has <u>two or more</u> findings that are still open (from any year); OR Has open OIG audit findings that are overdue (from any year); OR Sanctions have been imposed that are still in place. 	High	6			
ii. Any of the below conditions exist for the grantee: <ul style="list-style-type: none"> Has <u>one</u> finding that is still open (from any year); OR Has open OIG audit findings (from any year) that are not overdue; OR Sanctions were imposed in the last 3 federal fiscal years but have been removed. 	Medium	4			
iii. None of the above conditions exists.	Low	0			

<p>1.D. Program Complexity Risk is based on the complexity of the grantee's program design, primarily the number and variety of activities the grantee is undertaking, and whether these are new to its program and may pose a challenge to the grantee's staff in compliance and reporting. The grantee's application intake and complexity should also be considered. This score is auto-populated from DRGR data.</p>					Yes
i. The grantee has designed a program that implements five or more different types of activities.	High	8			
ii. The above condition does not exist.	Low	0			
<p>1.E. Management of Subrecipients Risk is based on the small-dollar activities that are managed by subrecipients or State recipients, including units of general local government. This score is auto-populated from DRGR data.</p>					Yes
i. The grantee has 4 or more different subrecipients.	High	6			
ii. The above condition doesn't exist.	Low	0			
<p>1.F. New Construction Activities Risk is based on the grantee's expending a significant amount of RHP funding for new construction activities. This score is auto-populated from DRGR data.</p>					Yes
i. Expenditures for new construction activities are 50 percent or more of one or more of its RHP grants.	High	8			
ii. None of the above conditions exist.	Low	0			
<p>1.G. At-Risk Flagged Activities in DRGR Are a high percentage of open activities flagged in DRGR as at-risk? Risk is based on the number of activities flagged as at-risk in DRGR. The flags include but are not limited to: 1) an activity is underway with no drawdowns reported in two or more years; 2) an activity is fully drawn with no accomplishments; 3) the grantee has exceeded the administration or technical assistance cap; and 4) the grantee has missed its 30% expenditure deadline within the first year (see published DRGR Flags Guidance for more information). This score is auto-populated from DRGR data.</p>					Yes
i. The grantee has three or more activities flagged as at-risk in DRGR.	High	8			
ii. The grantee has fewer than three activities flagged as at-risk in DRGR.	Low	0			

1.H. Activity Accomplishments Risk is based on the number of activities open for two or more years, but no accomplishments are reported. This score is auto-populated from DRGR data.					Yes
i. The grantee has not reported any activity accomplishments in two or more years for any of its grants.	High	8			
ii. The grantee has reported at least one activity accomplishment within the last two years.	Low	0			
Subtotal for Grant Management (Max. 56 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT:

Factor Definition: The extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: DRGR, audit management systems, Single audits, findings that require repayment or grant reduction, program income, the operation of Revolving Loan Funds (RLFs), Section 108 Loan Guarantees, grantee’s financial records, timeliness standards, and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and grantee performance reports.

The Evaluator will award point values to subfactor A. Choose only one risk score for the subfactor from the point values listed below and enter the associated comment. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
2.A. Audits required by 2 CFR § 200.501 Assessment is based on the submission of audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity’s fiscal year in Federal award, with special emphasis placed on the review of the management letter that should accompany the audit, taking into consideration whether the grantee received a finding subject to a management decision letter. Audit deadlines are specified in 2 CFR §200.507(c)(1) (for program-specific audits) and 2 CFR §200.512(a)(1) (for single audits). This score is manually selected.					No
i. In the last three program years, the grantee met the audit threshold and: failed to submit or was not timely in submitting	High	8			

audits required under 2 CFR §200.501; OR received <u>one or more</u> audit finding(s) subject to a management decision letter.					
ii. In all of the last three program years, the grantee did not meet the \$750,000 threshold to require Single Audit submission.	Medium	4			
iii. None of the above conditions exist.	Low	0			
2.B. Administration and Technical Assistance Cap Risk is based on the violation of the Administration or Technical Assistance cap, which are automatically flagged in DRGR. This score is auto-populated from DRGR data.					Yes
i. The grantee has exceeded the program administration cap of 5 percent or the technical assistance cap of 3 percent in one or more of the last five reported years.	High	8			
ii. The grantee has not exceeded the program administration cap of 5 percent or the technical assistance cap of 3 percent in the last five reported years.	Low	0			
2.C. Grant Expenditures Risk is based on the grantee reaching its 30 percent grant expenditure requirement within the first year. Risk is also based on the grantee's rate of expenditures (i.e., whether the grantee is on pace to expend 100% of its grant award(s) within the seven-year period of performance (PoP) for each grant); this criterion is first measured in the 4th year of the PoP. This score is auto-populated from DRGR data.					Yes
i. The grantee did not meet its 30 percent grant expenditure requirement within the first year; OR by the 4 th year of the PoP, the grantee is not on pace to expend the entire grant before the end of the PoP.	High	8			
ii. The grantee met its 30 percent grant expenditure requirement within the first year OR if the grantee did not meet its 30 percent grant expenditure requirement within the first year, by the 4 th year of the PoP, the grantee is on pace to expend the entire grant before the end of the PoP.	Low	0			
2.D. Voucher Revisions Risk is based on the grantee's having numerous or large voucher revisions in DRGR. "Numerous" means having 10 revisions or more. "Large" means total revisions of \$200,000 or more. This score is auto-populated from DRGR data.					Yes

i. The grantee has voucher revisions totaling more than \$200,000 in the last five years; OR has 10 or more draw revisions for any year in the last five years.	High	8			
iii. None of the above conditions exist.	Low	0			
Subtotal for Financial Management (Max. 32 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which HUD program participants deliver a program that is compliant and clients express satisfaction or dissatisfaction with the delivery of program services.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, grantee responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of community support, failure to reply or submit reports, Action Plans, Performance Reports (PRs), and auto-populated tracking systems. The

Evaluator will award a point value to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
3.A. Citizen Complaints / Negative Media Exposure / Responsiveness Risk is based on citizen complaints (received through such sources as citizen letters, phone calls, hotline complaints, etc.) or on negative media exposure involving RHP funding, significant negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders and the grantee's timely and effective response to these issues. This score is manually selected.					No
i. <u>Significant</u> concerns. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> The grantee received significant, valid citizen complaints, issues, or negative media exposure related to its RHP program; OR The grantee failed to respond timely or effectively to complaints, issues and/or inquiries within the HUD prescribed timeframes. 	High	12			

ii. <u>Moderate</u> concerns. In the last 3 federal fiscal years, the grantee has had <i>moderate</i> , valid citizen complaints, issues, or negative media exposure related to its RHP program, but the recipient has responded timely and effectively to the complaints, issues and/or inquiries within the prescribed timeframes.	Medium	6			
iii. <u>No</u> concerns. In the last 3 federal fiscal years, the grantee has not had any valid complaints, issues or negative media exposure related to its RHP program.	Low	0			
Subtotal for Services and Satisfaction (Max. 12 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	56
2. Financial Management	32
3. Services & Satisfaction	12
Total	100

Attachment A- 10

**Housing Trust Fund (HTF) Program
Formula Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department;
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance.

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department;
- Identify grantees to be selected for monitoring; and
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness.

In completing this worksheet, the Evaluator will provide an assessment of the grantee, using three of the four standard factors selected by the Department to determine the level of risk a grantee may pose to a HUD program. These factors include Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the information available on this grantee. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The Evaluator should accept these auto-populated fields.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the program participant has the capacity to carry out HUD programs according to established requirements.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills and ability of program staff, and the grantee's administrative capacity to manage the grant, including: the grantee's ability to provide timely reports that are complete and accurate; the complexity of the grantee's program; the grantee's management of its subgrantees; open and unresolved findings; or problems such as open or stalled activities, staff turnover, lack of experience with Federal grants or project activities, and program

workload. The following information and reporting systems should be considered, including but not limited to: Consolidated Plans, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs), Performance and Evaluation Reports (PERs), Technical Assistance (TA) Plans, the Integrated Disbursement and Information System (IDIS), Office of Inspector General (OIG) audits, any fair housing planning performed by the grantee to support its obligation to affirmatively further fair housing as defined at 24 C.F.R. §5.151, HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.5, and related reporting mechanisms and systems.

The Evaluator should award point values to subfactors A and B. Choose only one risk score for these subfactors: grantee reporting and staff capacity (including financial staff) from the point values listed below and enter the associated comment(s) if appropriate. The scores and comments for the remaining subfactors are auto-populated from IDIS data.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
1.A. Reporting How would you rate the grantee's overall reporting quality and timeliness? Consider report deadlines and the completeness and accuracy of information contained in the Con/Annual Action Plan, CAPER, Financial Reporting, and activity set-up/reporting in IDIS. This score is manually selected.					No
i. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> • The grantee submitted <u>two or more</u> late reports (<i>including</i> when extensions were granted); OR • <u>One or more</u> reports have been <i>significantly</i> incomplete or inaccurate requiring substantial corrective measures, (e.g., did not meet threshold, required extensive adjustment); OR • Activity reporting in IDIS was incomplete, inaccurate or lacked detail (e.g., activities not marked completed in IDIS; unit occupancy not reported in IDIS). 	High	5			
ii. In the last 3 federal fiscal years, any of the below conditions exist: <ul style="list-style-type: none"> • The grantee has submitted <u>one</u> late report; OR • <u>Any</u> reports were incomplete or inaccurate, but not significantly so. 	Medium	3			
iii. In the last 3 federal fiscal years, none of the above conditions exist.	Low	0			
1.B. Staff Capacity (including Financial Staff)					No

<p>Risk is based on current grantee staff capacity and its ability to ensure compliance with the program/crosscutting regulations, fulfill all grantee obligations, and design a program appropriate to the level of its capacity. Staff capacity issues may include under-staffing, vacancies, lack of experience relative to project/activity complexity, undertaking new activities, or unresponsiveness. Consider staff with assigned programmatic management, administrative, or financial responsibilities. This score is manually selected.</p>				
<p>i. <u>Significant</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The grantee’s program is more complex than the capacity, experience, or programmatic/financial knowledge of its staff, <u>as evidenced through violations or failure to meet program requirements</u>; OR • A key position vacancy has existed for <u>more than</u> 6 months; OR • Staff is <u>regularly</u> unresponsive (e.g., often fails to respond timely to CPD outreach/inquiries/requests); OR • Staff capacity is unknown. 	High	10		
<p>ii. <u>Moderate</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The grantee’s program is more complex than the capacity, experience, or programmatic/financial knowledge of its staff and negatively impacts performance, though <u>no violations or failure to meet program requirements have occurred</u>; OR • A key position vacancy has existed for <u>less than</u> 6 months; OR • Staff is <u>occasionally</u> unresponsive (e.g., on occasion fails to respond timely to CPD outreach/inquiries/requests). 	Medium	5		
<p>iii. <u>No</u>, staff capacity issues. None of the above conditions exist.</p>	Low	0		
<p>1.C. Monitoring / Audit History and Findings (includes CPD, OIG, DEC) Risk is based on prior CPD monitoring / OIG audits / DEC Reviews of the grantee’s program, the grantee’s performance regarding open monitoring and OIG findings, and other imposed sanctions. Include monitoring history and findings for</p>				Yes

programmatic, cross-cutting, and financial compliance. This score is auto-populated.					
i. Any of the below conditions exist for the grantee: <ul style="list-style-type: none"> • <u>Not</u> monitored by CPD or subject to a DEC review (last 3 federal fiscal years); OR • Subject to an OIG audit (last 3 federal fiscal years); OR • Has <u>two or more</u> findings that are still open (from any year); OR • Has open OIG audit findings that are overdue (from any year); OR • Sanctions have been imposed that are still in place. 	High	15			
ii. Any of the below conditions exist for the grantee: <ul style="list-style-type: none"> • Has <u>one</u> finding that is still open (from any year); OR • Has open OIG audit findings (from any year) that are not overdue; OR • Sanctions were imposed in the last 3 federal fiscal years but have been removed. 	Medium	10			
iii. None of the above conditions exist.	Low	0			
1.D. Projects Not Completed within Four Years Does the grantee have activities that were not completed within four years of commitment or are at risk of not being completed within four years of commitment? OAHP calculates this subfactor based on activities that remain open more than four years after the commitment date in IDIS. This score is auto-populated from IDIS data.					Yes
i. In the last 3 federal fiscal years, the grantee had at least one activity that was not completed within four years of commitment in IDIS.	High	5			
ii. In the last 3 federal fiscal years, the grantee had at least one activity that would have been open for at least four years within 90 days.	Medium	3			
iii. The grantee did not receive a High or Medium score.	Low	0			
1.E. Time to Project Completion Does the grantee take a reasonable amount of time, on average, to move HTF projects from commitment to completion? Risk is calculated based on the average number of years it takes for the grantee to complete HTF projects. This score is auto-populated from IDIS data.					Yes

i. The grantee has zero HTF activities completed in IDIS OR the grantee is in the bottom one-third of grantees for the time it takes to move projects from commitment to completion.	High	10			
ii. The grantee is in between the bottom one-third and top one-third of grantees for the time it takes to move projects from commitment to completion.	Medium	7			
iii. The grantee is in the top one-third of grantees for the time it takes to move projects from commitment to completion.	Low	0			
1.F. Use of HTF Funds for Operating Costs Has the grantee used any of its HTF funds for operating costs (including operating cost assistance reserves)? This score is auto-populated from IDIS data.					Yes
i. Yes, the grantee committed and/or expended HTF funds for operating costs.	High	5			
ii. No, the grantee has not committed and/or expended HTF funds for operating costs	Low	0			
Subtotal for Grant Management Assessment (Max. 50 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT:

Factor Definition: The extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: Integrated Disbursement and Information System (IDIS), audit management systems, Single audits, findings that require repayment or grant reduction, program income, grantee’s financial records, timeliness standards, and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and grantee performance reports.

The Evaluator should award point values to subfactors A. Choose only one risk score for the subfactors from the point values listed below and enter the associated comment. The scores and comments for the remaining subfactors are auto-populated from IDIS data.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
2.A. Audits required by 2 CFR § 200.501 Assessment is based on the submission of audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal awards, with special emphasis placed on the review of the management letter					No

that should accompany the audit, taking into consideration whether the grantee received a finding subject to a management decision letter. Audit deadlines are specified in 2 CFR § 200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits). This score is manually selected.					
i. In the last three program years, the grantee met the audit threshold and: failed to submit or was not timely in submitting audits required under 2 CFR § 200.501; OR received <u>one or more</u> audit finding(s) subject to a management decision letter.	High	5			
ii. In all of the last three program years, the grantee did not meet the \$750,000 threshold to require Single Audit submission.	Medium	2			
iii. None of the above conditions exist.	Low	0			
2. B. Final Draw Status Does the grantee have activities that remain open 120 days or more after the final drawdown of HTF funds? Risk is based on HTF regulation at 24 CFR 93.402 (d)(1) that requires project completion within 120 calendar days from the date of final drawdown. Final Draw Status indicates the grantee has fully disbursed all funds committed to the project in IDIS. The score is auto-populated and derived by looking at the grantee's activity which has the most days since its final draw date.					Yes
i. The grantee has at least one open activity that was fully drawn 120 days or more from the date the report/data is run.	High	10			
ii. The grantee has at least one open activity that was fully drawn 30 days or more but less than 120 days from the date the report/data is run.	Medium	5			
iii. None of the above conditions exist.	Low	0			
2.C. Percentage of Funds Committed to Activities How much of a grantee's total allocations of HTF funds are committed to activities? Risk is based on the total amount of funds the grantee has committed to activities from all available allocations it has received. This score is auto-populated from IDIS data.					Yes
i. The grantee's percentage of funds committed to activities is in the bottom one-third of grantees.	High	5			
ii. The grantee's percentage of funds committed to activities is in the top two-thirds (66%) but under the top one-third (33%) of grantees.	Medium	3			
iii. The grantee's percentage of funds committed to activities is in the top one-third of grantees.	Low	0			

2.D. Allocation Years Unexpended Does the grantee have a large number of years' worth of unexpended HTF funds when compared to a recent HTF allocation? Risk is calculated based on the average number of years of unexpended HTF funds. The logic takes a grantee's total LOCCS grant balance and divides it by the obligated amount of the grantee's recent fiscal year's HTF grant. This score is auto-populated from IDIS data.					Yes
i. The grantee is in the top one-third of grantees with years of unexpended HTF funds.	High	10			
ii. The grantee is between the top one-third and bottom one-third of grantees with years of unexpended HTF funds.	Medium	5			
iii. The grantee is under the bottom one-third of grantees with years of unexpended HTF funds.	Low	0			
2.E. Repayments In the last 3 federal fiscal years, has the grantee repaid funds for ineligible costs or activities? Risk is calculated based on the amount of HTF funds repaid to the Treasury account, the local account, or through a voluntary grant reduction, as a percent of the grantee's recent fiscal year's HTF allocation. This score is auto-populated from IDIS data.					Yes
i. The grantee repaid HTF funds in the last 3 federal fiscal years and the grantee's calculated risk is higher than the calculated risk in the top 50% of grantees that repaid HTF funds in the last 3 federal fiscal years.	High	5			
ii. The grantee has repaid HTF funds in the last 3 federal fiscal years, but its calculated risk is lower than the calculated risk of 50% of grantees that repaid HTF funds in the last 3 federal fiscal years.	Medium	3			
iii. The grantee has not repaid HTF funds in the last 3 federal fiscal years.	Low	0			
2.F. Commitment and/or Disbursement Deobligations In the last 3 federal fiscal years, has HUD deobligated HTF funds from the grantee for the grantee's failure to meet its commitment and/or expenditure requirements? This score is auto-populated from IDIS data.					
i. HUD deobligated HTF funds from the grantee in the last 3 federal fiscal years.	High	10			
ii. HUD has not deobligated HTF funds from the grantee in the last 3 federal fiscal years.	Low	0			

Subtotal for Financial Management Assessment (Max. 45 pts.)	Subtotal				
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FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which HUD program participants deliver a program that is compliant and clients express satisfaction or dissatisfaction with the delivery of program services.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, grantee responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of community support, failure to reply or submit reports, Consolidated Plan, Annual Action Plans, and Consolidated Annual Performance and Evaluation Reports (CAPERs) and other financial reporting, and auto-populated tracking systems.

The Evaluator should award a point value to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
<p>3.A. Citizen Complaints / Negative Media Exposure / Responsiveness Risk is based on citizen complaints (received through such sources as citizen letters, phone calls, hotline complaints, etc.) or on negative media exposure (included in newspapers, internet postings, etc.) involving HTF funding, negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders and the grantee's timely and effective response to these issues. This score is manually selected.</p>					No
<p>i. <u>Significant</u> concerns. In the last 3 federal fiscal years, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The grantee received significant, valid citizen complaints, issues, or negative media exposure related to its HTF program; OR • The grantee failed to respond timely or effectively to complaints, issues and/or inquiries within the HUD prescribed timeframes. 	High	5			
<p>ii. <u>Moderate</u> concerns. In the last 3 federal fiscal years, the grantee has had <i>moderate</i>, valid citizen complaints, issues, or</p>	Medium	3			

negative media exposure related to its HTF program, but the recipient has responded timely and effectively to the complaints, issues and/or inquiries within the prescribed timeframes.					
iii. <u>No</u> concerns. In the last 3 federal fiscal years, the grantee has not had any valid complaints, issues or negative media exposure related to its HTF program.	Low	0			
Subtotal for Services and Satisfaction (Max. 5 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	50
2. Financial Management	45
3. Services & Satisfaction	5
Total	100

Attachment A- 11

**Continuum of Care (CoC)
Section 8 Moderate Rehabilitation Single Room Occupancy (SRO)**

Competitive Risk Analysis Worksheet

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department;
- The likelihood that a program participant has failed to comply with program requirements; or
- The participant has performed unacceptably.

Recipient/Recipient Risk is assessed to:

- Determine Recipient/recipients that pose the highest risk to the Department;
- Identify Recipient/recipients to be selected for monitoring; and
- Determine the most effective means to identify and carry out actions to increase recipient effectiveness.

If a recipient has been awarded funds under more than one HUD competitive program (Continuum of Care (CoC) Program or Section 8 Single Room Occupancy Moderate Rehabilitation (SRO)), a separate worksheet should be completed for each competitive program carried out by the recipient. In this scenario, separate worksheets must be completed, one for each of the HUD programs. If a recipient has multiple grants under one HUD program, use one worksheet per HUD program only. This worksheet has been designed for evaluating CPD's competitive programs. Although factors and subfactors are consistent for all competitive programs, rating criteria may differ in some cases for recipients.

In completing this worksheet, the Evaluator should consider the total number of all active grants funded under each program. The Evaluator will provide an assessment of the recipient, using three of the four standard factors selected by the Department to determine the level of risk a recipient may pose to a HUD program. The factors include: Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the factual information available on this recipient. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting

systems, the criteria are auto-populated with scores and comments. The evaluator may accept these auto-populated fields or edit as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator’s Comments field.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the program participant has the capacity to carry out HUD competitive programs according to established requirements.

Rating Considerations: The basis for the Evaluator’s rating under this factor is derived from sources including, but not limited to, consideration of the knowledge, skills, and ability of program staff, and the recipient’s administrative capacity to manage the grant, including: the eligibility of activities and recipients; or problems such as the lack of progress in implementing a project; rapid staff and/or board turnover; major changes in the agency’s mission or direction; lack of experience with Federal grants or project activities; and the frequency and level of technical assistance required by the recipient before and during a project. Additionally, Office of Inspector General (OIG) audits, any fair housing planning performed by the recipient to support its obligation to affirmatively further fair housing as defined at 24 C.F.R. §5.151, HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.15, and related reporting systems such as IDIS, e-SNAPS, and LOCCS may be considered. The Evaluator should consider any existing or previously identified problems with the physical assets and the extent to which problems have been or are likely to be corrected; whether HUD funds are used for acquisition, construction, or rehabilitation activities; the number of sites at which HUD-funded physical assets are located and the activities supported by the physical asset and the extent of any previous monitoring.

The Evaluator will award point values to subfactors B. Choose only one risk score for the subfactor from the point values listed below and enter the associated comment(s) if appropriate. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
1.A. Reporting (CoC Program) Risk is based on the recipient’s accuracy and timeliness of Annual Performance Reports (APRs), considering the last three grant years. This score is auto-populated.					Yes
i. Recipient submitted a report that is untimely (submitted after the due date) AND was inaccurate or incomplete (due to errors).	High	8			
ii. Recipient submitted a report that was untimely (submitted after the due date) OR was inaccurate OR incomplete (due to errors).	Medium	5			
iii. None of the above conditions exist.	Low	0			
1.B. Staff Capacity (excluding Financial Staff) (CoC Program and SRO) Risk is based on recipient’s current staff capacity and its ability to ensure compliance with the program/cross-cutting regulations, fulfill all recipient obligations, and design a program appropriate to the level of its capacity. Staff capacity issues may include under-staffing, vacancies, lack of experience					No

<p>relative to project/activity complexity, undertaking new activities, or unresponsiveness. Consider staff with assigned programmatic management and administrative responsibilities. This score is manually selected.</p>					
<p>i. <u>Significant</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The recipient’s program is more complex than the capacity, experience, or programmatic knowledge of its staff, <u>as evidenced through violations or failure to meet program requirements</u>; OR • A key position vacancy has existed for <u>more than 6 months</u>; OR • Staff is regularly unresponsive (e.g., often fails to respond timely to CPD outreach/inquiries/requests); OR • Staff capacity is unknown. 	High	10 - CoC 25- SRO			
<p>ii. <u>Moderate</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The recipient’s program is more complex than the capacity, experience, or programmatic knowledge of its staff and negatively impacts performance, though <u>no violations or failure to meet program requirements have occurred</u>; OR • A key position vacancy has existed for <u>less than 6 months</u>; OR • Staff is <u>occasionally</u> unresponsive (e.g., on occasion fails to respond timely to CPD outreach/inquiries/requests). 	Medium	7 – CoC 10- SRO			
<p>iii. <u>No</u> staff capacity issues. None of the above conditions exist.</p>	Low	0 – CoC 0- SRO			
<p>1.C. Monitoring / Audit History and Findings (includes CPD, OIG, DEC) (CoC Program and SRO) Risk is based on prior CPD monitoring / OIG audits / DEC Reviews of the grantee’s program, the grantee’s performance regarding open monitoring and OIG findings, and other imposed sanctions. Include monitoring history and findings for programmatic, cross-cutting, and financial compliance. This score is auto-populated.</p>					Yes
<p>i. Any of the below conditions exist for the recipient:</p>	High	12 - CoC			

<ul style="list-style-type: none"> • <u>Not</u> monitored by CPD or subject to a DEC review (last 3 federal fiscal years); OR • Subject to an OIG audit (last 3 federal fiscal years); OR • Has <u>two or more</u> findings that are still open (from any year); OR • Has open OIG audit findings that are overdue (from any year); OR • Sanctions have been imposed that are still in place. 		25- SRO			
ii. Any of the below conditions exist for the recipient: <ul style="list-style-type: none"> • Has <u>one</u> finding that is still open (from any year); OR • Has open OIG audit findings (from any year) that are not overdue; OR • Sanctions were imposed in the last 3 federal fiscal years but have been removed. 	Medium	8 – CoC 10- SRO			
iii. None of the above conditions exist.	Low	0 – CoC 0- SRO			
1.D. Program Complexity (CoC Program) Risk is based on recipient’s ability to administer complex program activities, as measured by overseeing multiple subrecipients (considering the last three grant years). This score is auto-populated.					Yes
i. Recipient funds and oversees four or more subrecipients.	High	12			
ii. Recipient funds and oversees one to three subrecipients.	Medium	8			
iii. Recipient funds and oversees no subrecipients.	Low	0			
1.E. Physical Assets (CoC Program) Risk is based on the recipient’s award for the use of leasing and/or rental assistance. This score is auto-populated.					Yes
i. Recipient’s total program funds for leasing and/or rental assistance is either equal to or exceeds \$400,000.	High	6			
ii. Recipient’s total program funds for leasing and/or rental assistance is less than \$400,000	Low	0			
Subtotal for Grant Management (Max. CoC 48 pts./SRO 50 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT

Factor Definition: Extent to which the recipient accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department. The recipient upholds generally accepted conflict of interest policies.

Rating Considerations: The basis for the Evaluator’s rating under this factor is derived from information that could be obtained from, but not limited to, financial management under applications submitted in response to NOFAs, approved or amended grant/recipient agreements, audit management systems, assessment of recipient’s drawdown history (i.e., IDIS/LOCCS/PAS), the submission of required documents, timeliness standards and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, recipient performance reports and any on-site or remote monitoring information as available.

The Evaluator will award point values to subfactors A. Choose only one risk score for the subfactor from the point values listed below and enter the associated comment if appropriate. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
<p>2.A. Audits required by 2 CFR § 200.501 (CoC Program) Risk is based on the submission of audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity’s fiscal year in Federal awards, with special emphasis placed on whether or not the recipient received a finding subject to a management decision letter. Audit deadlines are specified in 2 CFR § 200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits). This score is manually selected.</p>					No
<p>i. In the last three program years, the recipient met the audit threshold and: failed to submit or was not timely in submitting audits required under 2 CFR § 200.501; OR received <u>one</u> or <u>more</u> audit finding(s) subject to a management decision letter.</p>	High	8			
<p>ii. In all of the last three program years, the recipient did not meet the \$750,000 threshold to require Single Audit submission.</p>	Medium	4			
<p>iii. None of the above conditions exist</p>	Low	0			
<p>2.B. Grant Amount (CoC Program) Risk is based upon the total amount of the recipient’s grant awards, considering the total sum of projects awarded is in</p>					Yes

the top 10% of program funding for the most recent competition year. This score is auto-populated.					
i. Recipient's grant awards are either equal to or exceed \$2,170,000.	High	10			
ii. Recipient's grant awards are less than \$2,170,000.	Low	0			
2.C. Slow Spender / Timely Expenditures (CoC Program) Risk is based upon the terms and conditions for timely expenditures for the competitive program(s) being assessed can be referenced by the program's grant/recipient agreement and/or operating instructions for that program. Timely expenditure of funds means funds are spent in proportion to the timeliness standards found in the NOFA for the year the grant was funded, the grant agreement, or in the program regulations. This score is auto-populated.					Yes
i. Recipient's draws from eLOCCS were after the required quarterly deadline and/or were 90 days after grant expiration.	High	10			
ii. Recipient's draws from eLOCCS were by the required quarterly deadline and by 90 days after grant expiration.	Low	0			
2.D. Staff Capacity for Financial Compliance (CoC Program) Risk is based on the current financial staff capacity of the recipient to ensure financial practices are compliant with the program regulations as confirmed through financial monitoring (considering the last 3 federal fiscal years). This score is auto-populated from GMP data.					Yes
i. Recipient received financial monitoring findings in last 3 federal fiscal; OR HUD has not conducted a financial monitoring in the last 3 federal fiscal years.	High	12			
ii. Recipient received no financial monitoring findings in the last 3 federal fiscal years.	Low	0			
Subtotal for Financial Management (Max. CoC 40 pts./SRO 0 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which recipients effectively and efficiently deliver services to intended beneficiaries/clientele and clients or beneficiaries express satisfaction or dissatisfaction with the delivery of program services.

Rating Considerations: The Evaluator should consider the planned program support and how it is appropriately being carried out to address the intended range of housing needs and related supportive services issues, including any specialized efforts for sub-populations of homeless program participants in serving the proposed number of participants or moving homeless program participants to permanent housing as well as considering information that could be obtained from, but not limited to: Freedom of Information Act (FOIA) requests, applicable NOFAs, approved grant amendment requests, annual performance plans, correspondence, release of funds requests, local-, HQ-, or recipient-generated automated reports or spreadsheets, correspondence or other communication to HUD, the recipient’s or other parties with respect to the project and any written or other responses by the recipient, any recent problems, such as citizen complaints, newspaper articles, internet postings, Congressional inquiries, and other forms of correspondence, the recipient/project sponsor’s/subrecipient’s response/failure to submit reports or respond to inquiries, and the loss of community support. The Evaluator should also include other functional issues related to carrying out and impacting on overall program activities, which include environmental and wage requirements, flood insurance protection compliance as well as compliance with relocation and acquisition policies.

The Evaluator will award point values for Subfactor A. Choose only one risk score for the subfactor from the point values listed below and enter the associated comment.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
<p>3.A. Citizen Complaints / Negative Media Exposure / Responsiveness (CoC Program and SRO) Risk is based on citizen complaints (received through such sources as citizen letters, phone calls, hotline complaints, etc.) or on negative media exposure (included in newspapers, internet postings, etc.) involving CoC/SRO funding, negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders and the recipient's timely and effective response to these issues. This score is manually selected.</p>				No	
<p>i. <u>Significant</u> concerns. In the last 3 federal fiscal years, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The recipient received <i>significant</i>, valid citizen complaints, issues, or negative media exposure related to its CoC/SRO program; OR • The recipient failed to respond timely or effectively to complaints, issues and/or inquiries within the HUD prescribed timeframes. 	High	12 – CoC 50- SRO			

ii. <u>Moderate</u> concerns. In the last 3 federal fiscal years, the recipient has had <i>moderate</i> , valid citizen complaints, issues, or negative media exposure related to its CoC/SRO program, but the recipient has responded timely and effectively to the complaints, issues and/or inquiries within the prescribed timeframes.	Medium	6 – CoC 15- SRO			
iii. <u>No</u> concerns. In the last 3 federal fiscal years, no negative local issues, media exposure, or valid complaints have been received related to its CoC/SRO program.	Low	0 – CoC 0- SRO			
Subtotal for Services and Satisfaction (Max. CoC 12 pts./SRO 50 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	CoC MAXIMUM SCORE	SRO MAXIMUM SCORE
1. Grant Management	48	50
2. Financial Management	40	0
3. Services & Satisfaction	12	50
Total	100	100