



2025 CDBG Recipient Workshop

Iowa Economic Development Authority

Welcome & Agenda

- Roles & Responsibilities
 - Contracts & Amendments
 - Required Uploads Policies
 - Environmental Review
 - National Objective
- (Break)
- Procurement
 - Claims & GAX Forms
 - Monitoring & Risk Assessments
 - Audits & Close Out
 - Additional Resources & Questions

Roles: IEDA, Grantee, Administrator

- IEDA's role is of Advocacy & Accountability;
- The Grantees are bound to the regulations set in place by HUD and are detailed in the contracts;
- Administrators are a valuable resource, but Grantees must become educated on the contractual terms & processes;

IEDA Contracts

The Contract Award Process:

- After applications are scored, the CDBG Project Manager will compile a list of all submitted applications in order of scoring, highest to lowest. Depending on the amount of funding available, those applications scoring the highest and on down will be awarded until all funds are expended.
- Award letters and contracts are then created and sent out to each community. **Please review the document thoroughly before signing and returning. All responsibilities are listed throughout the contract.**
- No HUD Funds or non-HUD (matching) funds may be committed to the project until the applicant has secured environmental approval from the State, as provided in HUD regulations 24 CFR 58.
- If any conditions contained in the award letter are not satisfied in the sole discretion of IEDA, or the contract is not fully executed before the deadline stated in the letter, the award of funds shall be rescinded, and no reimbursement will be available for any costs incurred by the Contract Recipient with respect to this award.

IEDA Contracts

FEDERAL GRANT SUBRECIPIENT AWARD SUMMARY:

- PROJECT INFORMATION PROJECT
 - PROJECT TITLE: (City) (Program)
 - TOTAL FEDERAL FUNDS AWARD TO RECIPIENT: \$XXX,XXX
 - GRANT AWARD PERIOD: Month, Date, Year to Month, Date, Year
 - FEDERAL AWARD PROJECT DESCRIPTION: Program Title
- SUBRECIPIENT INFORMATION
 - AGENCY NAME: City of _____
 - ADDRESS: Address, City, Zip
 - UEI (UNIQUE ENTITY IDENTIFIER): XXXXXXXXXXXXX
 - SUBRECIPIENT'S INDIRECT COST RATE: N/A
- FEDERAL FUNDS INFORMATION
 - FEDERAL FUNDING ENTITY: U.S. Department of Housing and Urban Development
 - FEDERAL PROGRAM NAME: Community Development Block Grant
 - FEDERAL AWARD NUMBER: B-XX-DC-19-0001
 - FEDERAL AWARD DATE: 00/00/202X
 - CATALOGUE OF FEDERAL DOMESTIC ASSISTANCE: 14.228
 - TOTAL FEDERAL AWARD AMOUNT: \$XX,XXX,XXX
 - AWARD FOR RESEARCH AND DEVELOPMENT: NO
- IOWA ECONOMIC DEVELOPMENT AUTHORITY COMMUNITY DEVELOPMENT DIVISION INFORMATION
 - CONTACT PERSON: Nichole Hansen
 - E-MAIL ADDRESS: Nichole.hansen@iowaeda.com
 - TELEPHONE NUMBER: (515) XXX-XXXX

This information is provided as a requirement of 2 CFR 200.331 Requirements for pass-through entities. All requirements imposed by the Federal entity and passed on to IEDA. In turn IEDA passes on to the subrecipient all requirements imposed by the Federal entity and that the Federal award is used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award

IEDA Contracts

Parts of the Contract:

- Article 1 – Definitions
 - **End Date:** Date the Contract ceases to be in force and effect.
 - **Recipient:** The entity identified in the contract (community) that has been selected to receive Program funds to undertake the funded Project and agrees to comply with all applicable CDBG requirements.
- Article 2 - Funding
 - **Disbursement of Less Than The Total Award Amount** – If the total award amount has not been requested by the Recipient within sixty (60) days after the end date, the Authority is under no obligation for further disbursement.
- Article 3 – Terms of Grant
 - **Time of Performance**
 - **Maximum Payment**
 - **Local Effort Requirements**
 - **Administration**
 - **Satisfactory Performance**
- Article 4 – Performance Target Achievement
 - **Performance Targets:**
- Article 5 – Use of Funds
 - **Program Income**
 - **Budget Revisions**
 - **Administrative Cost Limitations**
- Article 6 – Conditions To Disbursement of Funds
 - **Compliance with Environmental and Historic Preservation Requirements**
 - **Required Attachments**
 - **Conditions to Disbursement for Specific Activity** – The contract conditions listed in this section must be complied with prior to release of funds for that activity.

IEDA Contracts

Parts of the Contract:

- Article 7 – Representations and Warranties of Recipient
- Article 8 – Covenants of the Recipient
 - **Reports** – The Recipient shall prepare, review and sign the requests and reports as specified in the contract.
 - **Records** – The Recipient shall maintain books, records, documents and other evidence to all costs and expenses and revenues received under this Contract . The Recipient shall maintain these materials for the greater of three years after the date the Recipient is notified that the state CDBG contract has been closed with HUD.
 - **Access to Records/Inspections** – The Recipient shall, without prior notice and at any time, permit HUD or its representatives, the General Accounting Office or its representatives and the Authority to examine, audit and/or copy all documents.
 - **Certifications** – The Recipient certifies and ensures that the Project will be conducted and administered in compliance with all applicable Federal and State laws, and regulations as listed.
- Article 9 – Defaults and Remedies
- Article 10 – Incorporated Documents
- Article 11 – Miscellaneous
- Attachment A –
 - **Amendments**
 - **Audit Requirements**
 - **Compliance with Laws and Regulations**
 - **Unallowable Costs**
 - **Program Income**
 - **Interest Earned**
 - **Suspension**
 - **Procedures Upon Termination**
 - **Conflict of Interest**
 - **Use of Debarred, Suspended, or Ineligible Contractors or Subrecipients**

IEDA Contract Amendments

What Are Contract Amendments?

- If a community wants to extend the End Date for a project, has a change orders that affect the amount of match listed in the budget, or needs to request additional CDBG funds, if available, a contract amendment must be submitted in IowaGrants.
- The city must write a letter requesting the change amendment and justify why it is needed.
- The Grant Administrator will submit it in IowaGrants where it will be reviewed by the Project Manager.
- If the Project Manager approves of the amendment, they will complete the form shown here and send it to the city for the Mayor's signature.
- Once IEDA receives the signed Contract Amendment back from the city, the request will go through the approval process.
- The final approval will be when the IEDA Director signs the document. A copy will be returned to the city.

Iowa Economic Development Authority
Community Development Block Grant (CDBG) Program
Contract Amendment

Contractor:

City of _____

Contract number:

25-XXX-001

Contract Amendment number:

2

Amendment effective date:

Month, Day, Year

The Iowa Economic Development Authority (IEDA) hereby amends the above referenced
Community Development Block Grant (CDBG) program contract by
_____.

The contract by and between IEDA and the City of _____ is modified as of the
date shown above, as follows:

**MODIFICATION 1- All references to the end date in the Grant Agreement is changed to
Month, Day, Year, including all the following references:**

_____;

Except as otherwise revised above, the terms, provisions and conditions of the Contract remain
unchanged and are in full force and effect.

City of _____

BY: _____

ITS: Mayor

Date: _____

IOWA ECONOMIC DEVELOPMENT AUTHORITY:

BY: _____

Name: Deborah Durham
ITS: Director

Required Uploads

- This should be on the first Council agenda after the grant award.
- Expectation that all required uploads should be in Iowa Grants within 30 days of the award.
- No request for reimbursement will be approved without all required uploads in place.

Required Uploads

- Signed IEDA contract
- Residential Anti-Displacement and Relocation Assistance (RARA)
- Excessive Force Policy
- Equal Employment Opportunity Policy
- Fair Housing Policy
- Procurement Policy
- Code of Conduct Policy

Required Uploads

- Status of Funded Activity (SOFA) notice and meeting minutes
 - Approximately halfway through project
- 2 CFR 200.319 Competition Certification of Compliance
- Required Acknowledgement of Environmental Review Requirements
- DNR Construction Permit (if applicable)

Environmental Review

- Any project that utilizes federal funds must complete an environmental review.
 - The size of the activity doesn't matter; some form of review is always required.
- The time for reviewing environmental impacts is called the "environmental review period". During the environmental review period, we must develop an "environmental review record" for your project.

Environmental review (cont.)

- There are four different levels of review.
 - Exempt – administrative costs; no tangible impacts.
 - Categorically excluded, not subject to – soft costs, rental assistance; tangible, physical impact but no construction.
 - Categorically excluded, subject to – rehabilitation; construction that isn't overly invasive.
 - Environmental assessment – new construction; largest projects with the most impact.
- Your projects will always fall into one of these four categories.

Choice-Limiting Actions

- Choice-limiting actions are activities that occur during the environmental review period that limit, in any way, the alternative options for that project.
- This includes, but is not limited to: purchasing or transferring property, buying materials, signing contracts of any kind, rezoning, replatting, subdividing, expending any federal dollars on any activities.
- **Do not do anything until your environmental review period is complete.**

Choice-Limiting Actions (Cont.)

- Choice-limiting actions have the potential to completely stop the project and can stop projects from receiving federal funds in the future.
- Choice-limiting actions can be incurred between the application date and the release of funds date. Throughout that entire period, do not do anything!

Section 106 Reviews

- Section 106 reviews are required for every project receiving federal funding.
- They are a smaller, separate review.
- Section 106 evaluates a project's potential to damage historic resources.
- If the project will damage an historic resource and there is no way to avoid or minimize the damage, the City, IEDA, and SHPO will have to create a Memorandum of Agreement.

Memorandums of Agreement (MOAs)

- MOAs are legal documents signed by all interested parties that describe the Section 106 violation and the activities planned to mitigate the violation.
- MOAs result in some form of mitigation that benefits local or statewide historic preservation.
 - Example – surveying your downtown to see if it's eligible for listing on the National Register of Historic Places
 - Example – creating a pamphlet that discusses proper maintenance of historic masonry.

Tribal Consultation

- On projects that involve ground disturbance, tribes must be consulted with.
- As sovereign governments, tribal consultation must be done by the cities.
 - All tribal consultation letters must come from the mayor on city letterhead.
 - Consultants and third-parties should never reach out to tribes.
- Tribes are given 30 days to respond to consultation requests.
 - HUD typically offers 45 days for consultation responses.

Environmental Review Process

- 6-8 months to complete.
- Starts on application date.
- Your grant administrator (GA) begins researching and developing your environmental review record.
- Your GA begins developing your Section 106 review materials and submit them to IEDA or SHPO when completed.
- IEDA or SHPO concurs with your Section 106 finding.
- Your GA completes their research on environmental impacts.
- You sign a Level of Determination form.
- Your GA publishes a public notice in the newspaper for 15 days asking for public comment.
- If no comments are received, you sign a Request for Release of Funds form and your GA submits your environmental documents to IEDA.
- IEDA reviews your environmental review submission for 15 days.
- IEDA issues Release of Funds.

Choice-Limiting Actions (Again)

- Remember to do nothing on your projects until release of funds is given.
- Your biggest role in this is to allow the environmental review period to take place; patience is key.

Contact Information

- Robert Jonet
- Robert.Jonet@IowaEDA.com
- 515-348-6205

HUD National Objectives

- All CDBG projects are required by HUD to meet a “National Objective”
 - Benefit low-to-moderate income (LMI) persons or households
 - Eliminate slum and blight conditions
 - Meet an urgent need
- The majority of our projects meet the LMI National Objective
- When does a project “meet” a National Objective?
 - Can be at the beginning or the end, or even throughout
 - Depends upon the type of award
- No National Objective? → No funds

HUD National Objectives

○ Water & Sewer Awards

- Uses the “low-and-moderate income area” National Objective (“LMA”)
- Meets this requirement at the time of application/award
- Most often uses census data; can potentially use a community survey

○ Community Facilities Awards

- Uses the “low-and moderate income clientele” National Objective (“LMC”); at times can use LMA
- Meets this requirement generally twice: at the beginning and at the end
- Most often uses an income survey of direct beneficiaries; can potentially use census data

HUD National Objectives

- Downtown Revitalization (DTR) Awards
 - Uses the “eliminating slum and blight on an area basis” National Objective (“SBA”)
 - Meets this requirement over the course of the project: application, final design/Section 106 Historic Review, and at close out
 - Documentation includes narrative descriptions and photographs of blight, prioritized ranking of blighted elements, architectural renderings, and “before/after” comparison photos
- Other Awards
 - Upper Story Housing
 - “Opportunities & Threats”
 - Comprehensive Neighborhood Revitalization
 - CDBG-CV

HUD National Objectives

- The City's role in meeting a National Objective
 - Be familiar with the materials/documentation
 - Ensure stakeholders are providing information if it is lagging or missing
- Ramifications of failing to meet a National Objective
 - At a minimum, reimbursements will be halted
 - Very likely that partial if not the entire award will need to be repaid to IEDA/HUD
 - Remember: No National Objective? → No funds

Procurement

- Federal grant dollars are subject to 2 CFR 200: open, competitive, public procurement
- Must adopt and follow IEDA's Procurement Policy
- Historically monitored this during the back half of the project
- IEDA will be checking for compliance up front going forward

Procurement Policy Overview

○ Conflicts of Interest

- Black's Law Dictionary: “a real or seeming incompatibility between a person's private interests and his or her public or fiduciary duties”
- Prohibited conflicts: obtaining financial/other interest or benefit, solicit/accept favors/monetary value

○ Responsible Contractors

- Consider: integrity, compliance, past performance, and resources
- SAM.gov debarment check

○ Competition

- Written and weighted selection procedures / criteria
- Allow for full and open competition.

Procurement Policy Overview

○ Types of Procurement

- Construction
 - Follow Iowa Code Chapter 26
 - Also publish in a newspaper of general circulation
- Professional services
 - RFQ or RFP
 - Still publish in a newspaper of general circulation
- Other goods and services
 - Small (less than \$5,000)
 - Simple (between \$5,000 - \$50,000)
 - Sealed bids or competitive proposals (over \$50,000)
- Request single source approval when applicable

Procurement Policy Overview

- Targeted Small Businesses
 - Make an effort to use minority- and women-owned businesses
- Bonding
 - Bid bonds, performance bonds, and payment bonds required
- Contract Provisions
 - Required for all service contracts involved in a CDBG project regardless of source of funds
 - Find text in Appendix 2 of the CDBG Management Guide

Procurement

- The City's role in Procurement
 - Publish bids/RFPs/RFQs in a newspaper
 - Request single source approval when applicable
 - Ensure good records retention
- Ramifications of failing to procure correctly
 - May have to re-procure
 - May receive findings at monitoring
 - May have to remove that item from the budget
- Related, post-procurement tasks
 - Contractor clearance
 - Contracts and required language

Claims

- A claim is required every 6-months
- Must use original signatures
 - Make sure there is a signature authorization form

- Is report numbered correctly?
- Are yellow sections filled out?
- Is the amount accurate?

- Claims can take up to 3 weeks for approval.

2025		DATE 3/24/2025		ACCTG PERIOD (mm/yy)										
VENDOR CODE				AGENCY NAME										
VENDOR NAME AND ADDRESS				BILL TO ADDRESS (ORDERING AGENCY)		SHIP TO ADDRESS								
				Iowa Economic Development Authority 1963 Bell Avenue, Suite 200 Des Moines, Iowa 50315										
TERMS		FOB		ORDER APPROVED BY		GOODS RECEIVED/SERV PERFORMED								
						DATE INITIALS								
QUANTITY				VENDOR'S INVOICE NUMBER										
ORDERED	RECEIVED	UNIT OF MEASURE				UNIT PRICE	TOTAL PRICE							
			Request for Payment under CDBG Contract Number: Report Number: 											
DOCUMENT TOTAL														
CLAIMANT'S CERTIFICATION				AGENCY CERTIFICATION										
I CERTIFY THAT THE ITEMS FOR WHICH PAYMENT IS CLAIMED WERE FURNISHED FOR STATE BUSINESS UNDER THE AUTHORITY OF THE LAW AND THAT THE CHARGES ARE REASONABLE, PROPER, AND CORRECT, AND NO PART OF THIS CLAIM HAS BEEN PAID.				I CERTIFY THAT THE ABOVE EXPENSE WERE INCURRED AND THE AMOUNT IS CORRECT AND SHOULD BE PAID FROM THE FUNDS APPROPRIATED BY: CODE OR CHAPTER SECTION(S)										
DATE		TITLE												
CLAIMANT'S SIGNATURE				AUTHORIZED SIGNATURE										
See Invoice for Signature														
THE FOLLOWING FIELDS ARE FOR STATE ACCOUNTING USE ONLY														
DOC TYPE (GAX) GAX	DOC NUMBER		DOC DATE		ACCTG PRD	BUDGET FY 2025	ACTION NEW/MOD	PO SHIP INSTR	GAX TYPE 1	INT IND	INT SELLER FUND	INT A		
VENDOR CODE		ADDR OVERRIDE	F/A INDICATOR	EFT IND	TEXT -po's only (Y/N)			TEXT (po's only)						
				Y										
REF DOC TYPE		REF DOC NUMBER		REF DOC LINE		COM LN	VEND INVOICE #		COMMODITY CODE		GS CONTRACT			
LINE	FUND	AGCY	ORG	SUB ORG	ACTV	FUNC	OBJT	SUB OBJT	JOB NUMBER	REP CAT	QUANTITY / UNITS	ID	DESCRIPTION	AMOUNT
01	0340	269	4610				4125							
02														
03														
04														
05														
06														
07														
DOCUMENT TOTAL														
<div style="display: flex; justify-content: space-between; align-items: center;"> GAX WARRANT # AUDITED BY PAID DATE </div>														

Monitoring

- 'Monitoring' is the formal action of reviewing all documents the Administrator has gathered for the project;
- Done either virtually or in person or hybrid, but all activities recorded in Iowa Grants portal;
- PM provides Admin a checklist of items to audit;
- If any deficiencies, PM will note in the file and set timeframe for deliverables;
- Deficiencies that are not addressed are recorded as a 'Finding' to HUD and impacts future applications;

Risk Assessments Slides

- IEDA performs Risk Assessments on projects at least once Annually;
- Depending on project performance, this may be done more than once;
- The intent is to discover any impacts to the project that can be resolved to reduce risks to the grantee;

Annual Audit Requirement

- Does your CDBG project require an audit? 2 CFR 200.501 states that if a community has received more than \$1,000,000 in federal funds (from all sources) in a given fiscal year, then the community must have a single audit.
- Audits are to be completed in accordance with Generally Accepted Government Auditing Standards (GAGAS).
- IEDA will provide a Single Audit Form each year to remind a Recipient to determine whether an audit is necessary.
- When an audit is required, there are several things to be aware of.
 - First, in arranging for audit services, recipients must follow procurement policies and requirements.
 - Second, the audit must be completed, and the report submitted to the Federal clearinghouse designated by OMB, within the earlier of either thirty (30) days after receipt of the auditor's report or thirteen (13) months after the end of the audit period.
 - Finally, the costs of audits made in accordance with the applicable regulations are allowable charges to federal programs

Annual Audits continued.....



C.D.B.G. Funding - IowaGrants.gov

Single Audit Form

Recipient: Name City or County
Contract Number: 25-WS-001

Award Date: May 1, 2025
End Date: April 30, 2028

2 CFR Part 200 changed the threshold of required audits from entities awarded federal funds. If a unit of local government or non-profit organization has expended \$750,000 or more in federal funds from any federal sources or programs during a fiscal year, that entity is required to have these funds audited in accordance with the implementing regulations found in 2 CFR Part 200.

Entities that have not expended \$1,000,000 in federal funds in a fiscal year are not required to have an audit performed.

As part of the Single Audit Act requirements, IEDA is required to advise you of the Catalog of Federal Domestic Assistance (CFDA) Number of the program through which the grantee received funding. The CFDA number for the CDBG OT & PFSA program is 14.228

After reviewing the audit requirements described above, check one of the boxes below and have this form signed by the appropriate official of your organization. The completed form, with the original signature, MUST be returned to your Grant Administrator at:

Local Council of Governments
Attn: Grant Administrator
Street Address
City, Iowa 50000

Your grant administrator will then upload an electronic copy of this signed form to the Audit Document Component in IowaGrants.

I certify that ☐ No Audit is Required ☐ Audit is Required (will be available _____)

For fiscal year 2025

Signature

Date

NOTE: IEDA must receive this form back within 30 days of receipt.

Close Outs

- On or before the Contract End Date, ALL documents should be submitted so the project can be closed out. This includes the following:
- All work must be completed.
- All Compliance Documents should be in “APPROVED Status”. (Environmental Reviews, Section 106, Contractor Clearances, 3D forms, Easements, Housing Unit Verifications form (if applicable), Annual Section 3 forms, Additional Classification and Wage Rates, Wage Rates, and/or Wage Restitution.)
- The “Final” Section 3 form should be submitted and approved.
- All Contract Amendments should have been met.
- A Site Monitoring should be cleared and submitted. If an item was missing at the time of the monitoring and it could not be provided, it will be marked as “Not Available.” This could affect future applications.
- All audits should be uploaded, unless the current year has not yet been completed.
- Close Out letter will be sent if all above items have been met.
- 60 days is ONLY to allow the Recipient time to submit the final claim.

Additional Resources

- Website migration!
 - <https://opportunityiowa.gov/community/community-infrastructure/cdbg-resources>
- CDBG Management Guide (updated annually)
- Previous trainings – slides and recordings
- “CDBG Program Guidance and Related Resources”

Questions?

- Rob Wick, Team Lead
 - Rob.wick@iowaeda.com
 - (515) 348 - 6217
- Sarah Plowman, Project Manager
 - Sarah.plowman@iowaeda.com
 - (515) 348 - 6213
- Joyce Brown, Senior Project Manager
 - Joyce.brown@iowaeda.com
 - (515) 348 - 6209
- Chad Sands, Project Manager
 - Chad.sands@iowaeda.com
 - (515) 348 - 6208



THANK YOU

Iowa Economic Development Authority