CHAPTER 11
REPORTING REQUIREMENTS

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I. FINANCIAL REPORTING

Recipients must comply with all applicable federal and state audit requirements by conducting the necessary audits within the specified time frames.

Financial audits provide reasonable assurance that activities have been carried out according to the grant agreement and in compliance with laws and regulations. Audits must be conducted in compliance with generally accepted auditing procedures established by the American Institute of Certified Public Accountants and the audit standards of 2 CFR Part 200 Subpart F. Auditor selection must be consistent with procurement standards prescribed by 2 CFR 200.318-.326.

A. Federal Requirements

New York State Community Development Block Grant (NYS CDBG) funds are federal funds that are subject to the requirements of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements, which establishes uniform requirements for audits of federal assistance. Specifically, those requirements are as follows:

1. Recipients that expend $750,000 or more of federal funds in their fiscal year must conduct a single or program-specific* audit in accordance with 2 CFR Part 200 Subpart F. Federal funds may include, but are not limited to, proceeds from HUD, DOL, DOT, DOJ, or EPA programs.

2. Recipients that expend less than $750,000 of federal funds in their fiscal year are exempt from federal audit requirements for that year. However, Recipients should check with local laws to determine the applicability at local audit requirements.

If a federal audit is required, Community Development Block Grant funds should be listed in the “Schedule of Federal Financial Assistance as U.S. Department of Housing and Urban Development funds passed through the State. The Catalog of Federal Domestic Assistance (CFDA) number for the program is 14.228.

If a Single Audit is required, the Recipient must complete and submit the audit report within 30 days of receipt of the auditor’s report or nine months after the end of the Recipient’s fiscal year, whichever is earlier. Reports must be sent to:

- ocraudit@nyshcr.org
- Federal Audit Clearinghouse, Bureau of Census, 1201 E. 10th Street, Jeffersonville, IN 47132

The auditor is required to give prompt notice to the Chief Elected Official of any findings of an illegal act or other irregularities. In turn, the Recipient must promptly notify OCR within 5 business days of the findings and/or proceedings of the violation of law and/or nonperformance of duty. Conflict of interest, falsification of records or reports, and misappropriations of funds or assets are all examples of illegal acts or irregularities.

B. State Requirements

1. Recipients are required to follow federal audit requirements as found in 2 CFR Part 200 Subpart F.

2. Within 60 days of the end of the Recipient's fiscal year, the Recipient must submit Form 9-1, the Federal Assistance Expenditure Form to OCR's Finance Manager. ***Failure to do so will result in the suspension of all CDBG funds which will delay the processing of request for funds. Further, projects cannot be closed out if there is a delinquent FAE.***

C. Procurement of Audit Services

2 CFR Part 200 Subpart F requires the Recipient, whenever possible, to make a positive effort to utilize small audit firms, minority-owned firms and/or women-owned business enterprises in procuring audit services as stated in the A-102 Common Rule, OMB Circular A-110 or 48 CFR Part 42, as applicable. This audit must be performed by an independent Certified Public Accountant and conducted in compliance with generally accepted auditing procedures.

In requesting proposals for audit services, the objectives and scope of the audit should be made clear. Factors to be considered in evaluating each proposal include the responsiveness to the RFP, relevant experience, availability of staff with professional qualifications and abilities, the results of external quality control review and cost. The selection process documentation should be retained in the Recipient's files for review by OCR.

D. Audit Costs

The costs of audits prepared in accordance with the provisions of OMB Circular A-200 are allowable charges to NYS CDBG projects. However, the amount of CDBG funds that can be used to finance an audit must be relative to the percentage of CDBG funds that triggered the requirements of A-200. Costs of audits that are not prepared in accordance with the provisions of OMB Circular A-200 are not allowable charges.

II. PERFORMANCE REPORTING

All Recipients of NYS CDBG funds are obligated to report data to OCR, documenting the results of the activities undertaken. As part of the reporting process, Recipients are required to report using the Performance Measurement Framework established by the U.S. Department of Housing and Urban Development (HUD) to collect and report performance data from all of Community Planning and Development (CPD) programs administered by HUD. The purpose of collecting performance measurement data is to assess the accomplishments of CPD programs and to determine the outcomes of these programs and its eligible activities at the national level. The Performance Measurement System provides a framework for HUD to take local data from grantees (state administrators) throughout the Nation and aggregate it so that the impact of housing and community development programs

can be measured at the national level.

In order for HUD to report these accomplishments, both state-administered and Federal entitlement CPD programs must report using the same Performance Measurement Framework. Collectively, NYS CDBG grantees must demonstrate the impact of the program on its communities and individuals. Performance measurement data and the collective results of this data will be directly linked to funding decisions and used to substantiate the need for funding at the current levels as well as support any increases in funding.

The performance measurement system was developed to provide HUD with a standardized methodology and system to measure the outcomes of the NYS CDBG program. Given the federal requirements to measure program performance and the strong competition for available federal resources, HUD and its grantees must be able to demonstrate how the program benefits low- and moderate-income families and communities.

The CPD Performance Measurement System provides the following benefits for HUD, its grantees and the grantees of states.

- **Meets Federal performance measurement requirements:** The system was developed in direct consultation with U.S. Office of Management and Budget to ensure that it fulfills federal performance measurement requirements.
- **Provides clear evidence of program results/outcomes at a national level:** The system provides HUD with “hard” numbers about the results of grantee activities. These numbers will allow HUD to quantify the impact of federally-funded activities, both locally and nationally.
- **Provides recipients with performance information that they can used to inform local officials and the public about the results of their programs:** For recipients that have not yet developed their own performance measurement systems, the CPD system provides them with performance information for their programs that can be used at the local level. This information can help recipients communicate their accomplishments and build public support.
- **Assists recipients with decisions about program design and implementation:** The system provides recipients with information about the extent to which their programs achieve the intended results. To the extent that program performance falls below the desired levels, recipients can examine their program designs and procedures and assess whether changes are needed to enhance their performance.

To provide performance measurement data to OCR, Recipients are required to report once a year the status, accomplishments and performance measurements of their projects. The Annual Performance Report (APR), which is due in January, provides statistics on the accomplishments, beneficiaries, and performance measurements of the program for the one-year period of January 1 – December 31. In addition to the APR, Recipients must also file a Final Performance Report once the project has been completed, the funds have been expended and the program objectives met.

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A. Annual Performance Report

The APR is OCR's primary mechanism for obtaining accomplishments, beneficiary, and performance measurement data for reporting to HUD. Data from the APRs are compared to the Recipient's application and previous APRs on file and allow OCR program staff and Recipients of NYS CDBG funding to assess the project's progress and targeted outcomes. Data gathered from the APRs is transmitted to HUD in the OCR Annual Performance and Evaluation Report, which is prepared in coordination with the NYS Homes and Community Renewal.

Each Recipient must submit an APR for each project where a Final Performance Report has not been submitted to the OCR. The APR (Form 3-1) consists of six sections:

- Recipient Information;
- Project Status Narrative;
- Beneficiary Data and Performance Measurements;
- Civil Rights Reporting
- Program Income;
- Final Performance Report Documentation; and
- Certification.

If the project consists of more than one activity, a Beneficiary Data and Performance Measurements Form must be completed for each activity.

Reports are due 10 business days after the close of the reporting period, which is December 31st of each year. Final APRs are due within 10 business days after submission of the final request for funds.

Recipients that do not submit their reports by the deadline are at risk of the suspension of funds of all open grants.

III. LABOR STANDARDS REPORTING REQUIREMENTS

The HUD reporting requirement for Contracts subject to Davis-Bacon (DBRA) is submitted semi-annually via the Semi-Annual Labor Standards Enforcement Report form.

The two reporting periods are:

Period 1 is October 1st – March 31st
Period 2 is April 1st – September 30th

The report is due to the OCR within 10 days of the end of the reporting periods but cannot be completed or submitted until AFTER each period end date.

IV. SECTION 3 & M/WBE REPORTING

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In addition to the reporting requirements listed above, CDBG Recipients may be subject to additional Section 3 and M/WBE reporting requirements.

If Recipients are subject to these additional requirements, the Housing and Community Renewal's (HCR) Fair and Equitable Housing Office (FEHO) will be in contact with them. More information can be found here: https://hcr.ny.gov/fair-and-equitable-housing-office. Note that both Section 3 reporting and efforts to Affirmatively Further Fair Housing (AFFH) are incorporated into the CDBG Annual Performance Report. FEHO may require additional reporting beyond this annual report if deemed necessary.