

**Community Development Block Grant
And
Disaster Recovery Program**

**Internal Policy and Workflow Procedures for
Director of Programs
Planning and Implementation Responsibilities**

**Oklahoma Department of Commerce
Community Development Services**

Introduction

Below outlines the internal policy and procedures for the Director of Programs position for both the Program Planning and Program Monitoring Teams that administer the CDBG, and CDBG-DR programs. It also addresses CDBG Planning Staff, and CDBG Project Manager Roles. Emphasis is on internal policy and procedures that guide the Director of Programs work through the OKGrants System as well as external work outside the OKGrants system.

OKGrants is the grant management software system used to electronically capture all grant information from application to close-out. Furthermore, the OKGrants Management System provides the “work flows” whereby the Director of Programs processes work. The guide is organized by addressing the Director of Programs workflows within the Program Planning Team and the Program Monitoring Team separately. The major areas addressed include:

Program Planning Team

- Consolidated Plan/CDBG Action Plan
- Citizen Participation/Public Input/Hearings
- Design of CDBG Applications
- Application Submission, Approval, and Funding Recommendations
- Contracting

Program Monitoring Team

- Release of Funds and Notice of Construction Awards
- Request for Funds/Advance and Expenditure Reports
- Contract Modifications
- Close-out of Contracts
- Grantee Monitoring

Major Planning Workflow

Consolidated Plan

For every federal Fiscal Year, the State of Oklahoma, as a State grantee, is required to submit a Consolidated Plan (ConPlan) to the U. S. Department of Housing and Urban Development (HUD). The Program Year begins on April 1 and ends March 31st. The ConPlan consists of the following four programs: CDBG, HOME, ESG and HOPWA. The ConPlan outlines the goals and objectives for the programs as well as the process for distributing the annual allocation of funds. Commerce manages the CDBG and ESG programs; whereas, OHFA manages the other two programs. The ConPlan is submitted through IDIS and must be submitted by February 15th each year. The Commerce Department is the “lead” on submitting the ConPlan. Steven Hoover is the lead Planner for the submission of the ConPlan. Attached is the link to the Conplan page on the ODOC website <http://okcommerce.gov/about/reports-planning-documents/consolidated-plan/>

Citizen Participation-CDBG

To meet the strict federal guidelines for citizen participation and submission in a timely manner, the planning process for the CDBG State Plan extends over approximately an eight-month period. To initiate the process each year, ODOC schedules three public input sessions for the CDBG program. One input session is held in western Oklahoma, one in eastern Oklahoma and one in Oklahoma City. The sessions are generally held in late July and August. The public input sessions are not required but comments received in these sessions can be evaluated by ODOC to determine how the CDBG State Plan can address the priorities established in the plan.

The State’s approved Citizen Participation plan requires that at least one public hearing be held early in the planning process, and that a public hearing be held to accept comments on the draft CDBG Action Plan and Consolidated Plan. To publicize the public input sessions and hearings, ODOC mails notifications via The Pioneer. The Pioneer list reaches approximately 3000 addresses which includes all cities, towns and counties, State Legislators and other non-profit and private organizations who might have an interest in the CDBG program

Following the public hearing, the public is allowed thirty (30) days to submit written comments to ODOC. All comments must be addressed by ODOC, and a summary of ODOC’s responses must be included in the Consolidated Plan document submitted to HUD. Officials at HUD are allowed a maximum of forty-five (45) days to review the CDBG State Plan.

The State of Oklahoma receiving a notice of award from the United States Department of Housing and Urban Development triggers the implementation of the Community Development Block Grant portion of the Consolidated Plan.

Design of CDBG Applications

Generally, release dates for CDBG applications are made available in the OKGrants system the middle of January. The specific funding “set-asides” within the CDBG program have different application submittal deadlines. For example, the W/S Construction set-aside will have a different deadline than Community Revitalization. However, deadlines tend to run from the end of February to June.

Beginning in early fall the Planners will begin reviewing last year applications and make modifications as necessary. It is important that applications mirror exactly the requirements set forth in the CDBG State Plan. Each application will go through a rigorous review and once finalized will be put on the ODOC website. Also, the OKGrants System Manager will be notified and provided a date as to when to make the applications available in the OKGrants system. Once completed units of general local government may submit CDBG applications.

OKGrants Process for Application Submission and Approval

The following process set forth the steps utilized by CDBG Staff to review CDBG-DR grant applications submitted by units of general local government. Application templates are created within OKGrants to ensure the proper information can be submitted to ODOC and Planning staff can conduct a thorough review.

1. Official CDBG applications are initiated and submitted by units of general local government through the OKGrants system. When the application is being worked, the status in OKGrants will indicate **“Application in Process”**. Once the application is completed the Chief Elected Official changes the Status in OKGrants to **“Application Submitted”**. Planner reviews the application to ensure it meets all threshold requirements per the HUD approved CDBG State Plan. Based on this review the Planner may send the application back to the unit of local government as **“Changes Required”** if additional information or clarification is needed. Most importantly, all CDBG applications must be an eligible activity, and meet a National Objective. ***It’s important that the Planner clearly document the application review by filling out, signing and dating a Threshold Review sheet. This “officially” documents the application is reviewed by ODOC staff. The Threshold Review Sheet is uploaded by the Planner in the Review Section of OKGrants.*** The review mirrors the approved CDBG State plan and other relevant CDBG requirements.
2. Once the Planner is confident that the CDBG application(s) should be recommended for funding the Planner then changes the status to **“Management Review.”** The Director of Programs will spot check the application to ensure all threshold criteria is met and uploaded into the OKGrants System. If not, the Director of Programs will return to the Planner for additional information/clarification **“Planner Review”**. If threshold criteria are met then the Director of Programs will create an Official Funding List and email the Budget Liaison, Director of Community Development, Comptroller,

Project Managers, Auditor, Contract Specialist and Support Staff. This notifies all applicable staff that official funding is being recommended. Example funding list is provided.

3. The Budget Liaison will review the funding list and ensure funding is available, as well as the Division Director. Once the funding list is approved by email the Director of Programs changes the status to **"Budget Review"**. The Budget Liaison then changes the status to **"Division Director Review"**. Once reviewed by the Division Director the status is changed to **"Generate a CDBG Contract."** Also, the standard award letter is developed by Support Staff.

Contracting

OKGrants is the management software system used to electronically capture all grant information from application to close-out. The following process sets forth the steps utilized by CDBG staff to generate a contract with a unit of general local government for CDBG-DR project.

1. The Contract Specialist develops the contracts which has all CDBG-DR requirements. Some of the more Important CDBG-DR requirements include Labor Standards, Equal Opportunity, Environmental Review, Acquisition and Relocation, Debarment and Suspension, Release of Funds and Duplication of Benefits. These requirements can be found in the **CDBG Project Management Guide**. The "boiler plate" Legal Contract along with any proposed changes is reviewed by the Director of Programs and General Counsel prior to generating a Contract.
2. Support staff develops an award letter to be sent to the Unit of General Local Government. The award letter incorporates the appropriate funding amount and provides instructions on how the local government can accept/sign the contract within the OKGrants System.
3. The Contract is sent to the local government through the OKGrants system whereas the award letter is sent by email. The Support Staff uploads the award letter into OKGrants. The Contract Specialist and the support staff must coordinate closely to ensure the Contract and award letter is sent to the sub-recipient simultaneously or as closely as possible.
4. Once the Contract Specialist pushes the Contract to the local government, OKGrants will indicate **"Contract Signatures Required"**. The local government/grantee will see this in their OKGrants Task Box. This notifies the local government they need to sign and date the contact and submit it back to ODOC via the OKGrants system. Additional notification is also provided to the sub-recipient by receiving an award letter through email. Once submitted OKGrants will indicate **"Contract Signatures Received"**. The Executive Director of the Community Development Services then signs and changes the status to **"Executed."**

Major Implementation Work Flow

Release of Funds & Notice of Construction Award

The Project Manager assigned to the CDBG projects ensures that Release of Funds is properly achieved for each project. Obligating or expending funds for a conditioned activity that has not yet been cleared by ODOC is an ineligible use of funds. Release of Funds must be achieved before project funds can be drawn down. The grantee is required to take the action necessary to satisfy these conditions as specified in the [CDBG Project Management Guide](#) located at [Section 401](#). The following process sets forth the duties utilized by CDBG staff to process Request for Release of Funds.

Release of Funds is initiated and submitted by the sub-recipient within the OKGrants system. Every contract has two basic sets of conditions (Standard and Special). Basic or standard requirements include environmental review, insurance and bonding, and anti-displacement.

Once the sub-recipient submits their Release of Funds information within OKGrants ***it is the responsibility of the Project Manager to process this information. It is important for the Project Manager to document the review was conducted by providing appropriate information in the comment section and/or checklist as appropriate. The information the Project Manager will review in the Release Funds and Notice of Award process includes:***

- **Environmental Review.** Every project undertaken with CDBG/CDBG DR funds is subject to the provisions of the National Environmental Policy Act of 1969 (NEPA), as well as HUD environmental review regulations at 24 CFR Part 58. The sub-recipient is responsible for ensuring that an Environmental Review Record (ERR) is prepared for all activities associated with a project and environmental clearance is obtained.
- **Insurance and Bonding.** The Project Manager will review the grantee's current policy showing general liability insurance covering the funded activities. Bonding of all officials who are responsible for financial transaction relating to the contract.
- **Anti-Displacement Plan.** The grant recipient must have a current anti-displacement plan adopted by council resolution.
- **Procurement.** Procurement may or may not be submitted at the time of Release of Funds. However, if submitted the Project Manager will review to ensure proper Procurement was conducted. The procurement of all purchases utilizing CDBG funds are subject to 24 CFR subpart I, 570.489(g) and CDBG Part 85 the "common rule". Competitive Bidding is required. The project Manager will review documentation regarding the Request for Proposals and/or Request for Qualification's undertaken by the unit of local government. Procurement documentation may

include formal publication notices, a listing of bids received, and notice of award of the construction contractor.

Program Manager Review. Once the Project Manager has reviewed Release of Funds (ROF) information the status is changed to **Program Manager Review**. Director of Programs will spot check ROF information. If approved the Director of Programs will sign and date the Notice of Removal of Contract Conditions and Authority to Use Grant Funds (HUD form 7015.16) and upload into OKGrants within the ROF section. The Director Programs will then change the status within OKGrants to **ROF Approved/Completed**. This officially documents that the Grantee has cleared all conditions and may move forward with the project.

Notice of Award Required/Submitted. Once the Director of Programs approves the ROF the unit of local government is required to submit the Notice of Contract Award. The NOA is the formal method whereby the grant recipient reports the execution of contract and subcontract to ODOC. The Notice of Award is uploaded within OKGrants in the ROF section with the appropriate status change as necessary and an email notification to the Project Manager that the upload is complete. ODOC will not process a payment for construction funds until the NOA has been received. The Project Manager will review contract information and either approve or ask for additional information.

Request for Funds/Advance and Expenditure Reporting

OKGrants is the grant management software system used to electronically capture all grant information from application to closeout. The following process sets forth the steps utilized by the grantee and ODOC CDBG DR staff to submit and process advances/request for funds and file expenditure reports. More detailed information is located in the [CDBG Project Management Guide Section 406 Financial Management](#).

Advance/Pay Request by the Grantee. Below is the process whereby a grantee request funds for their designated project.

1. **Advance/Request for Payment "In Process"**. Usually the Grant Writer on behalf of the unit of local government will fill out the advance/pay request within OKGrants. However, only the local government Authorized Official or Financial Writer can actually **"submit the request for funds."** ***The town is required to upload all relevant Purchase Orders and Invoices. The upload is to be completed within the uploads of the Request for Payment section.***
2. **Advance/Request for Payment "Submitted"**. Advance/Request for Payment is "submitted" within OKGrants by the Authorized Official (AO) or Financial Director of the sub-recipient. Only the AO or the Financial Director can "submit" the advance/Request for Payment on behalf of the grantee. ***Each Advance/Request for Payment must have purchase orders and invoices uploaded with the submitted Request for Payment.***
3. **Advance Review**. Once the advance/pay request is submitted the CDBG-DR Project Manager reviews the request and uploaded purchase orders and invoices. ***The Project Manager will review purchase orders and invoices to ensure they reconcile with the request.*** The Project Manager either approves and 'pushes' to **Accounting Review** or sends back for **"changes required"**. ***Project Manager will note in the comment field that the information has been reviewed and what if any issues need to be resolved. This provides the documentation that the***

Project Manager on a certain date has completed a detailed review to ensure reconciliation between the purchase orders, invoices and Request for Payment.

4. **Accounting Review.** Accounting reviews and if approved will create a voucher. The voucher is submitted to Oklahoma Management and Enterprise Services to be paid.
5. **Advance/Pay Request Paid.** OMES has paid the request and is deposited into the designated bank of the grantee.

Expenditure Report Submitted by the Grantee. Below is the process whereby a grantee officially submits an expenditure report indicated that funds have actually been spent.

1. **Expenditure in Process.** Usually the Grant Writer will fill out the expenditure report within OKGrants.
2. **Expenditure Submitted.** The expenditure report can only be submitted by the Authorized Official. The expenditure report officially documents that the sub-recipient has paid the contractor for work provided.
3. **Expenditure Approved.** The Project Manager reviews the expenditure and either approves or request changes required.

Contract Modifications

OKGrants is the management software system used to electronically capture all grant information from application to close out. The following process sets forth the steps utilized by CDBG staff to process contract modifications. Information may also be found in the [CDBG Project Management Guide Section 401](#).

Modification in Request/Modification Request Submitted. Most contract modifications are normally submitted by the sub-recipient. Documentation submitted by the sub-recipient must be uploaded into OKGrants where a review can be conducted by the Project Manager, Planner or Director of Programs. A modification is a change from the original project description as a result of:

1. New or additional activities; and/or
2. Change in the proposed scope of services or beneficiaries and/or
3. Changes in the project location or target area; and/or
4. Extensions of the contract ending date; and/or
5. Changes in the amount of any budget line item (or total budget)

Modification Program Manager Review. Once the modification is submitted by the sub-recipient, the Project Manager will conduct a review of the information. Based on this review the Project Manager will approve or require changes and/or additional information and clarification to the information submitted. The Project Manager will document the review by providing comments in the modification template of OKGrants or draft an official letter to the sub-recipient.

Modification Approval/Executed. If the Project Manager deems the contract modification adequate the Project Manager will change the status within OKGrants to allow the Director of Programs to review and approve or require additional changes.

Under the CDBG program and with approval of the Project Manager and Director of Programs, the ODOC Contract Specialist will submit the contact changes to the sub-recipient for execution (**Contract Modification Signature Required**) regarding Contract Increases/Decreases, and contact extensions.

These changes must be signed and executed by the Authorized Official of the sub-recipient and the Director of Community Development Services within OKGrants. Contract Budget Modifications (no changes to the Total amount but budget adjustment among categories) are approved by the Director of Programs and do not require a newly executed Contract.

Closeout of Contract

OKGrants is the management software system used to electronically capture all grant information from application to close out. The following process sets forth the steps utilized by CDBG staff to process grantee close-out. Closing out a CDBG-DR project represents a confirmation that the intended benefits of providing all of the legal requirements imposed on the use of the funds have been examined. All CDBG-DR grant recipients are expected and required to conduct an orderly and timely close-out of their contract. More detailed information can be found in the [CDBG Project Management Guide Section 409](#).

Closeout In-Process/Submitted. The sub-recipient should have close-out information submitted within sixty days after the contract ending date or upon completion of the project with ever comes first. The sub-recipient is required to submit the information set forth in [CDBG Project Management Guide \(pages 409-4 thru 409-17\)](#).

Closeout in Review. Once the sub-recipient submits close-out information within OKGrants the Project Manager will review the information submitted. The Project Manager will document the review in the comment section. The Project Manager may also change the status in OKGrants to **Close-out Changes Required** if additional information or clarification is required.

Closeout Management Review. If Project Manager deems that all close-out information is approvable the Project Manager will change the status in OKGrants to **Management Review**. This allows the Director of Programs to spot check close-out information submitted by the sub-recipient and either require further changes/clarification or approve the Close-out.

Closeout Accounting Review. If the Director of Programs approves the close-out the status in OKGrants is changes to **Close-out Accounting Review**. This allows the Finance Division to properly review all expenditures ensuring that all funds have been reconciled.

Grant Closed. If all project funds can be reconciled then the Finance Division will close the grant.

Grantee Monitoring

As part of the States ongoing responsibilities for the administration of the Disaster Recovery Program, the Oklahoma Department of Commerce will conduct comprehensive monitoring reviews of all sub-recipient receiving funding. The State's [CDBG-DR Monitoring Handbook and Checklist Template](#) is provided in a separate document and details all Monitoring Policies/Procedures. The OKGrants management system electronically captures these monitoring reviews. The following process sets forth the steps utilized to conduct and process monitoring reviews within the OKGrant system.

The following information is required to be uploaded in OKGrants (Monitoring Template)

- Official ODOC letter or email indicating the time and location that monitoring will take place
- Monitoring Checklist filled out as appropriate documenting any findings
- Official Monitoring Report emailed or mailed to sub-recipient documenting findings. Additionally, each major finding is recorded within the Monitoring Template of OKGrants
- Official response to Monitoring Report from the sub-recipient
- Response from ODOC either accepting the corrective actions (Monitoring Complete) or requiring additional information

Monitoring Report In- Process. Once the Project Manager opens the Monitoring Template within OKGrants the system will report Monitoring in Process. At this time the Project Manager may enter the email or letter that notified the sub-recipient will be monitored on a certain date and location.

Monitoring Report Submitted. The Project Manager finishes the Monitoring Report. The Monitoring Report and the Checklist utilized to develop the Monitoring Report is Uploaded into OKGrants. The Project Manager then submits the Monitoring Report to the Director of Programs for approval or any changes.

Monitoring Report Approved. The Director of Programs reviews the Monitoring Report and either approves or request changes be made. If approved the Director of Programs will change the status within OKGrants from MR submitted to MR Approved.

Monitoring Report Response Required (Task Box). The Project Manager emails the Monitoring Report to the sub-recipient. If corrective action(s) are required, the Project Manager changes the status to Monitoring Report Response Required.

Monitoring Report Response Submitted. The sub-recipient submits documentation required to address the corrective actions set forth in the Monitoring Report. Within OKGrants the status is changed to Monitoring Response Review Required.

Monitoring Report Response Review Required (Task Box). Once the sub-recipient submits a response to the Monitoring Report (including any corrective actions) the Project Manager will review and either request additional information or accept the response. The Director of Programs will also review the response and any comments from the Project Manager.

Monitoring Report Completed. If the response from the sub-recipient is adequate, then the Monitoring of the sub-recipient will be considered complete. If the response is in-adequate, then the status within the OKGrants system is changed **Monitoring Report Issues Unresolved.** This status notifies the sub-recipient that additional information or clarification is still required to fully address findings noted in the monitoring report. This will take place until the findings are resolved.

Grantee Organization Roles:

- Authorized Official
- Financial Officer
- Writer
- Viewer

Application Workflow – Fed CDBG grants

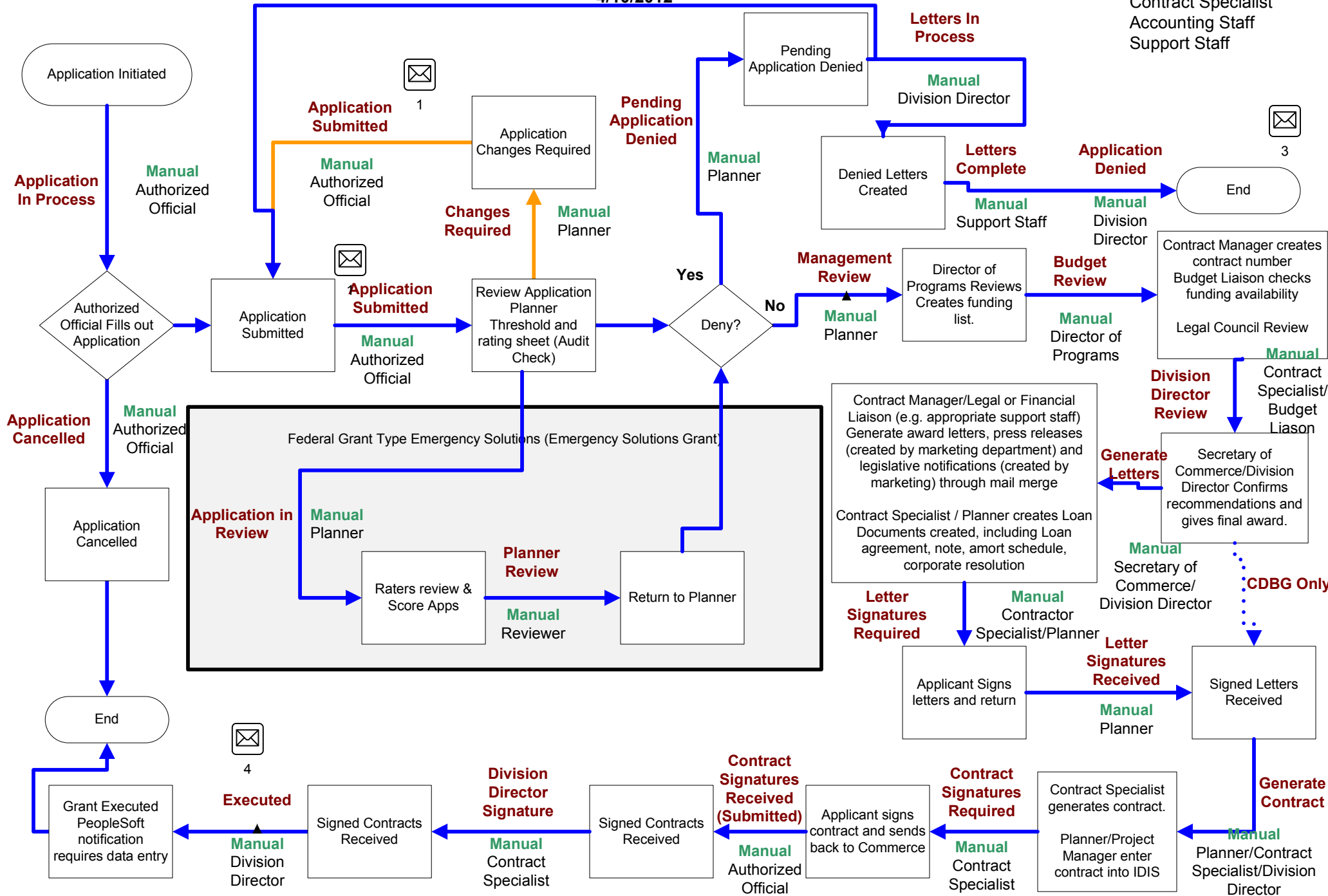
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[Application Status Push Mode in Green]

Grantor Organization Roles:

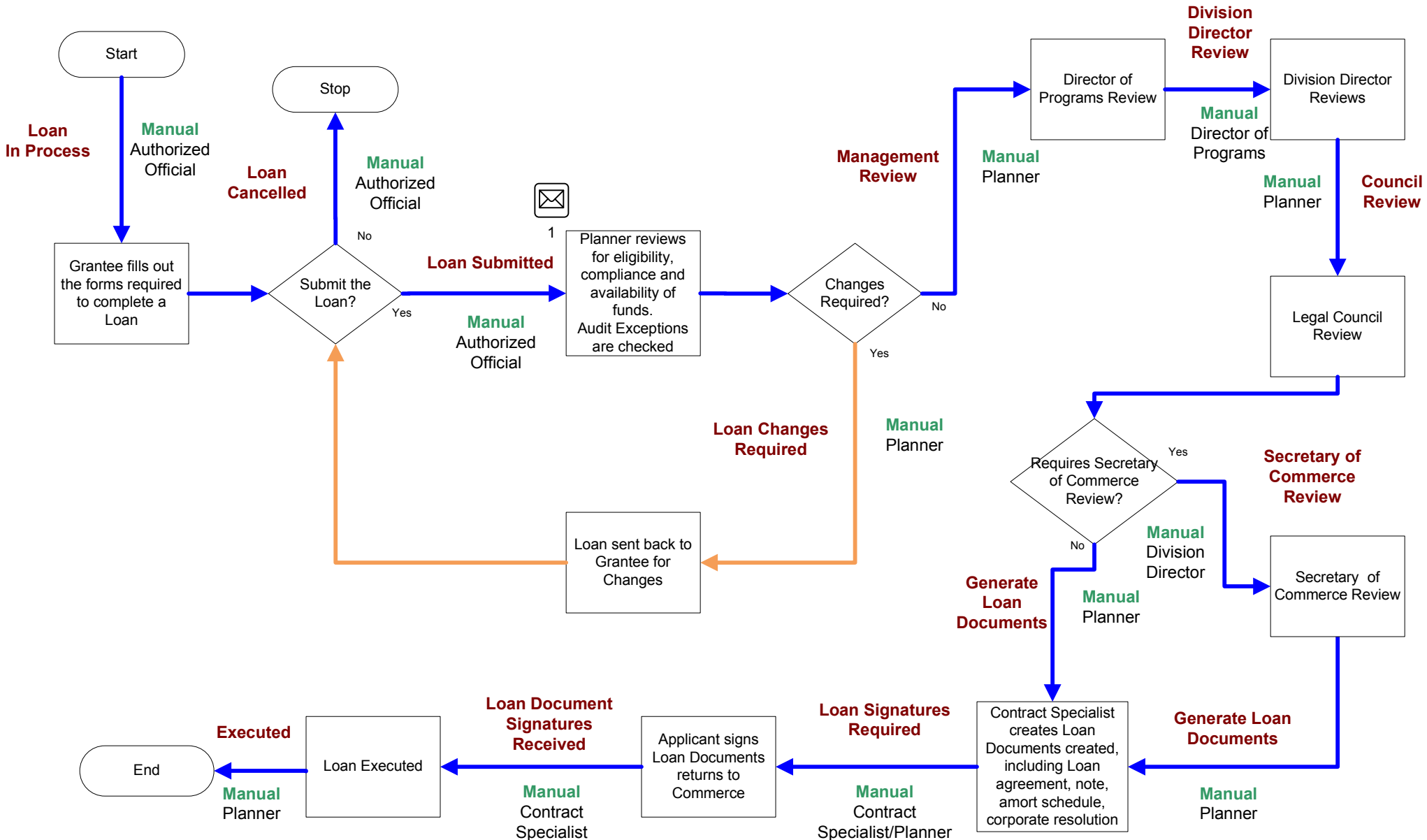
- System Administrator
- Division Director
- Director of Programs
- Program Manager
- Project Manager
- Financial Liaison
- Planner
- Contract Manager
- Contract Specialist
- Accounting Staff
- Support Staff

4/10/2012



Loan Process Flow

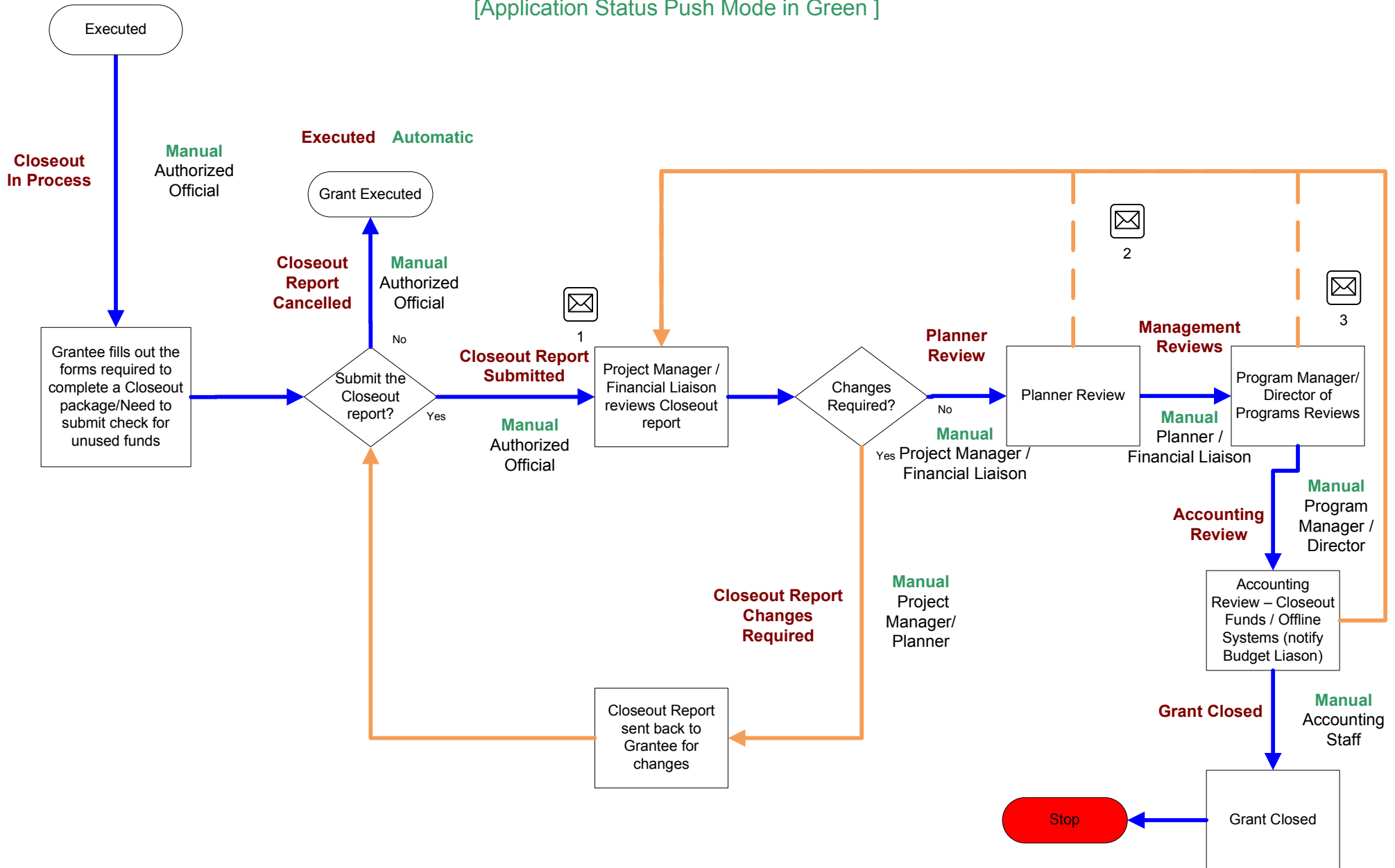
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Grant Application Closeout Process Flow

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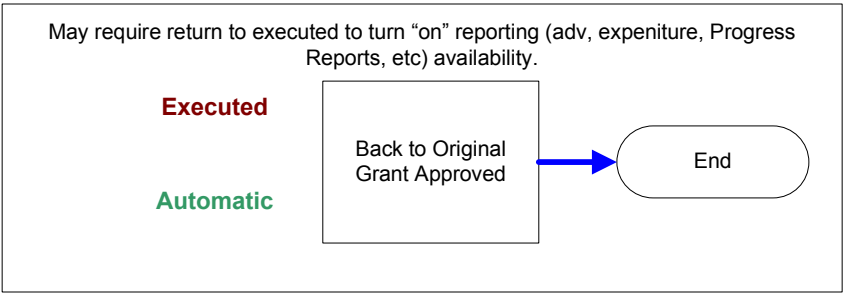
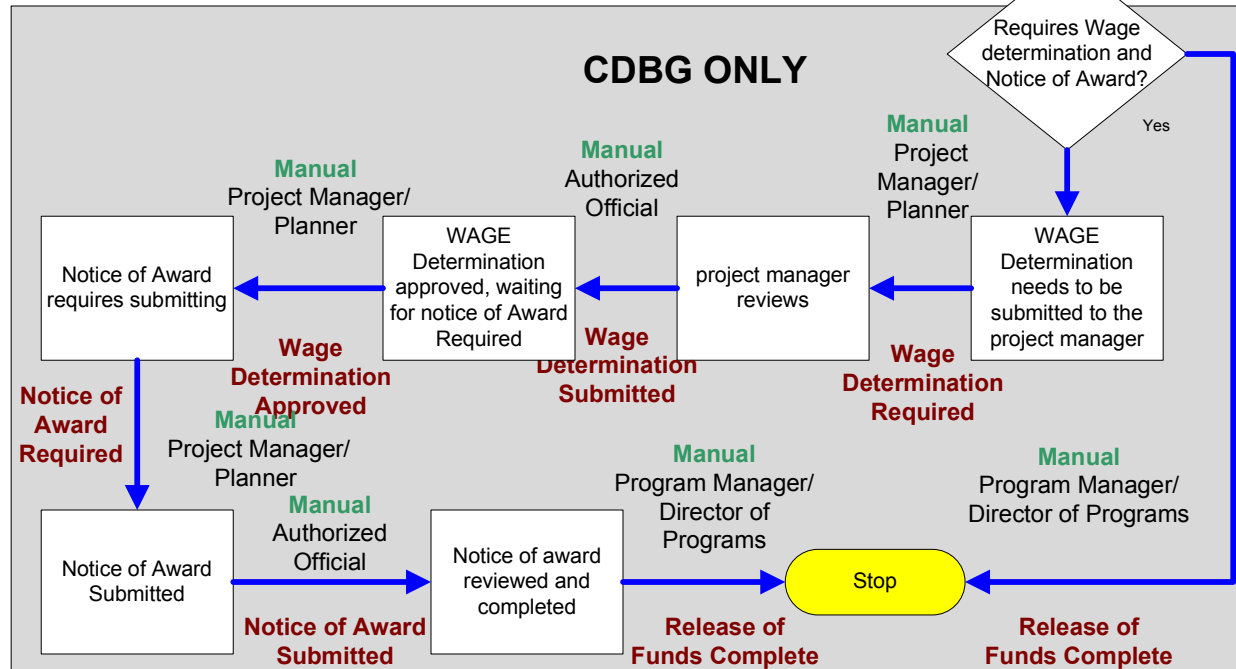
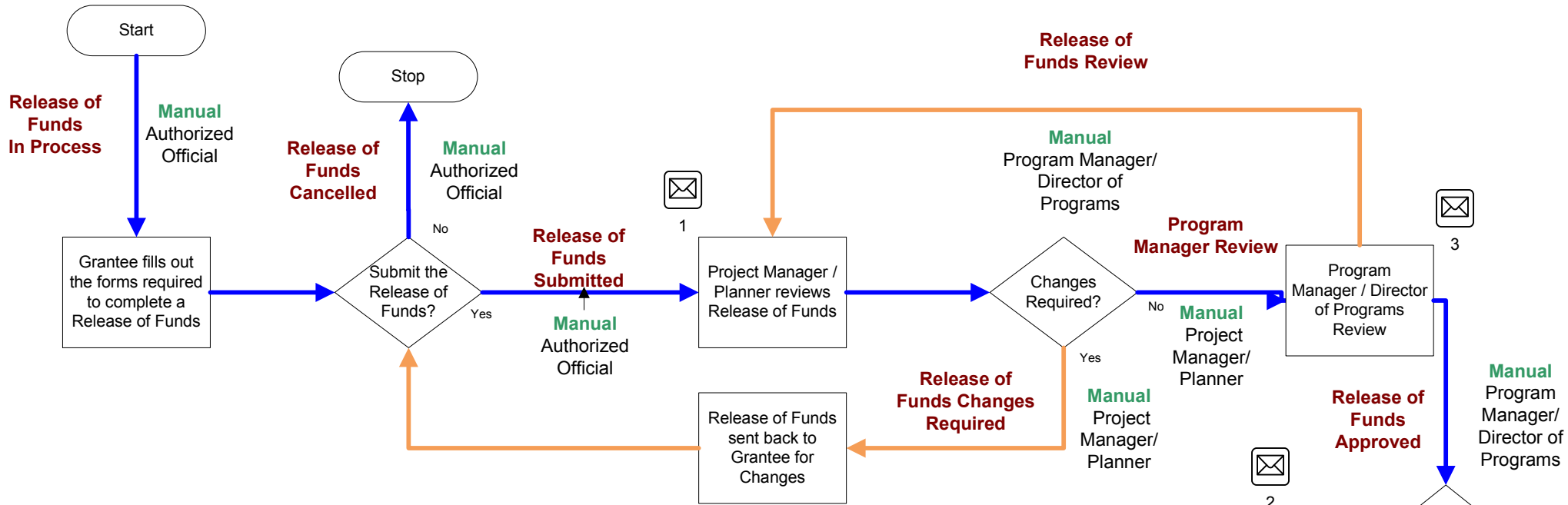


Release of Funds Process Flow

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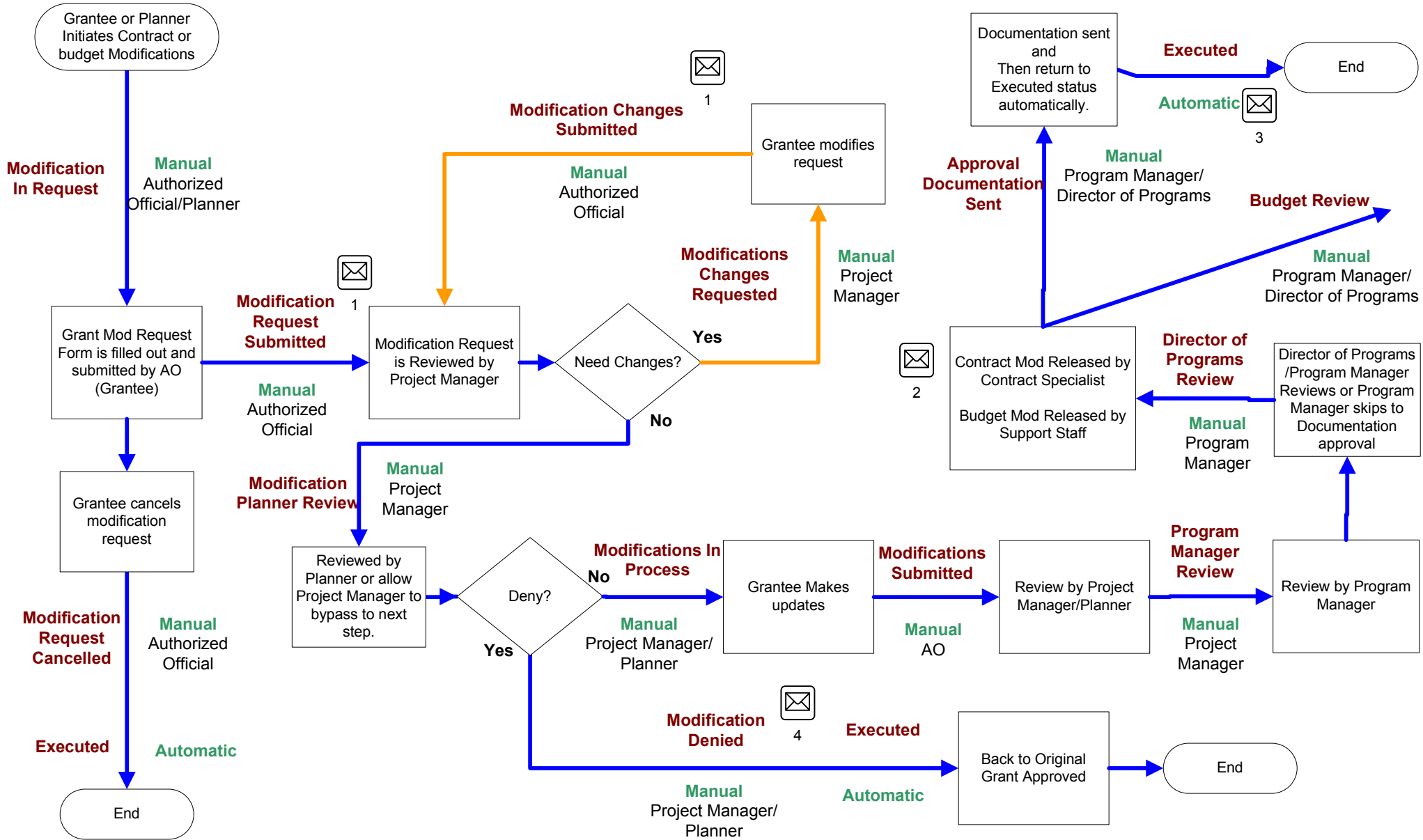
7/25/2011



Grant Modifications

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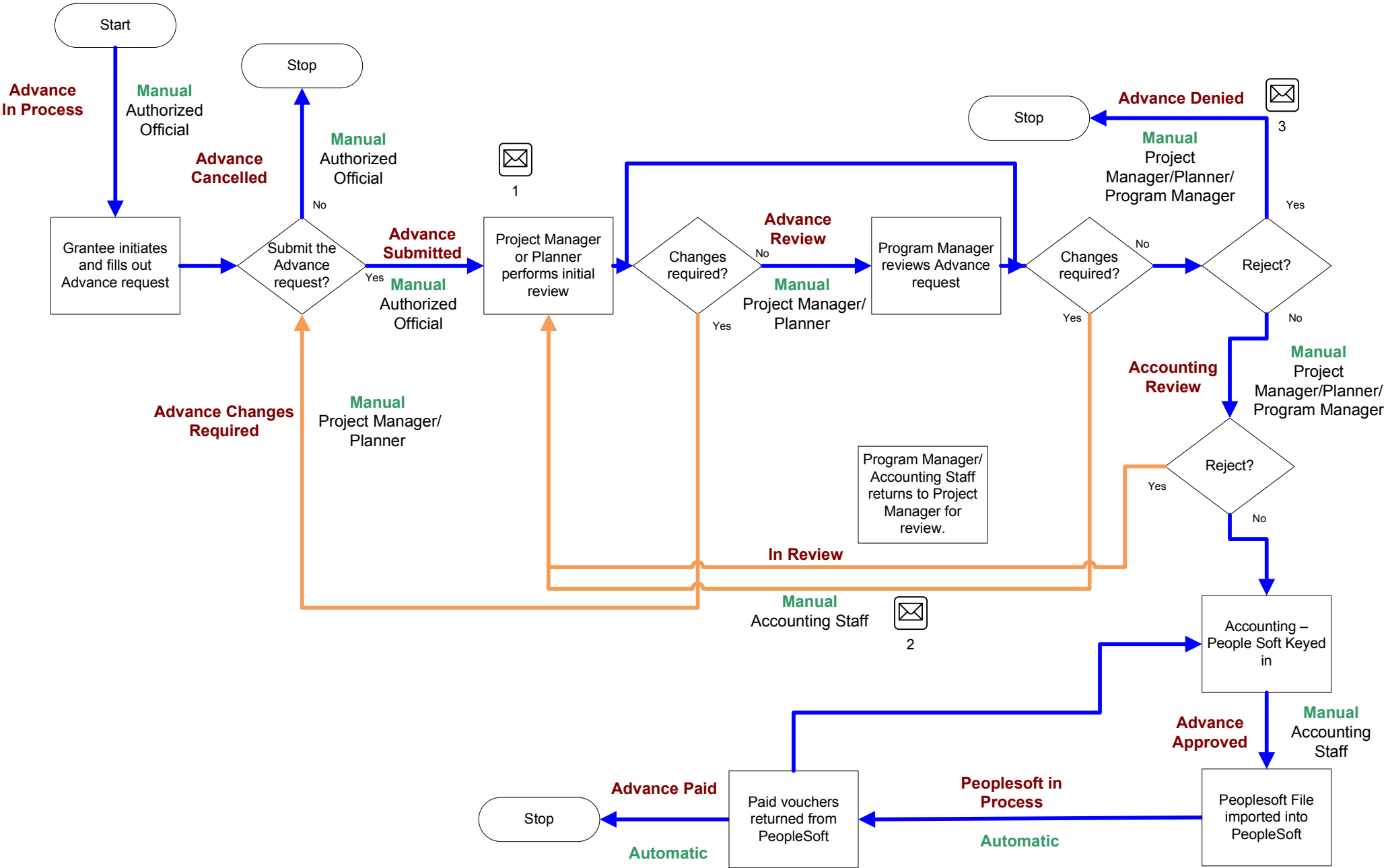
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Advance Process Flow

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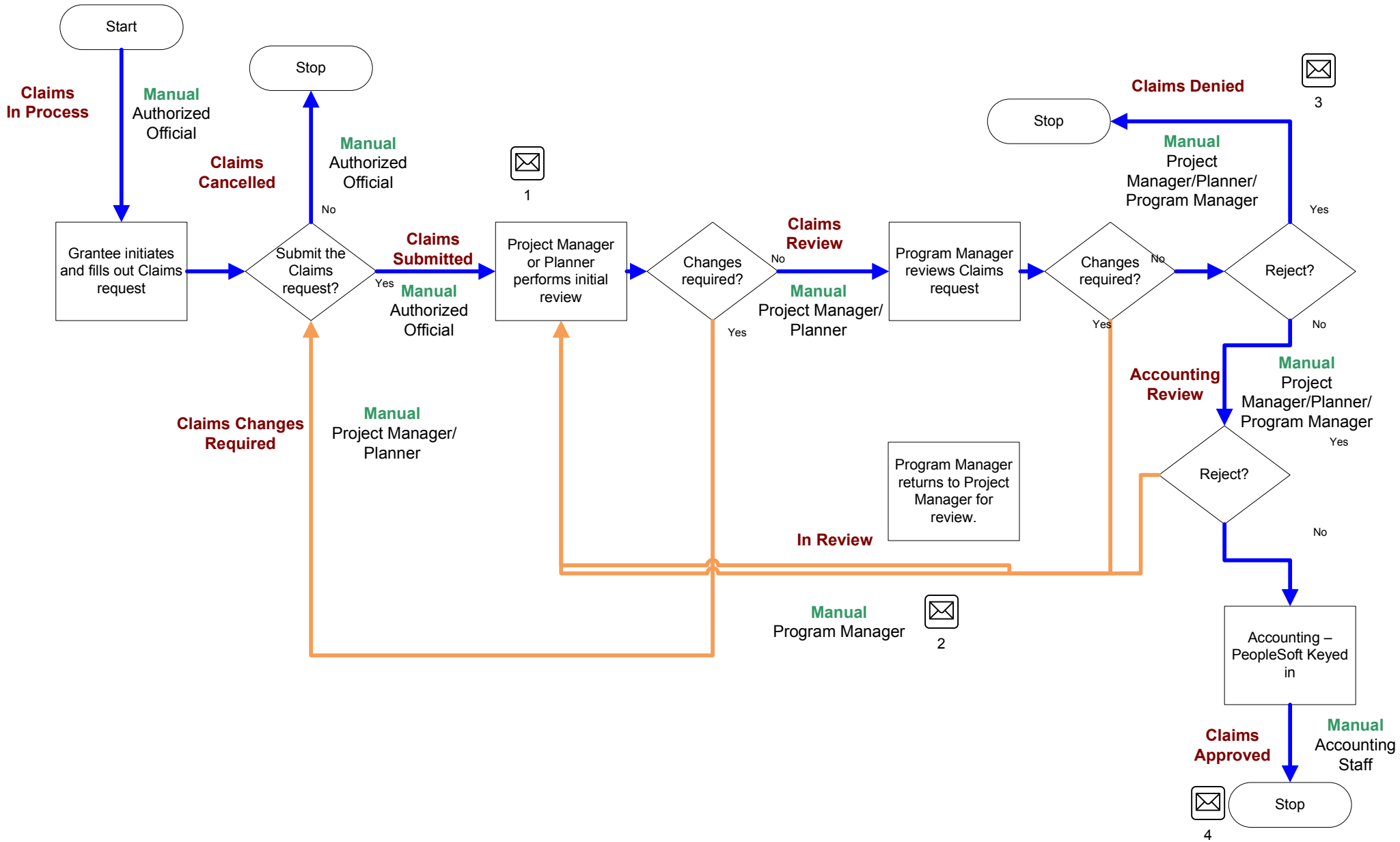
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Claims Process Flow

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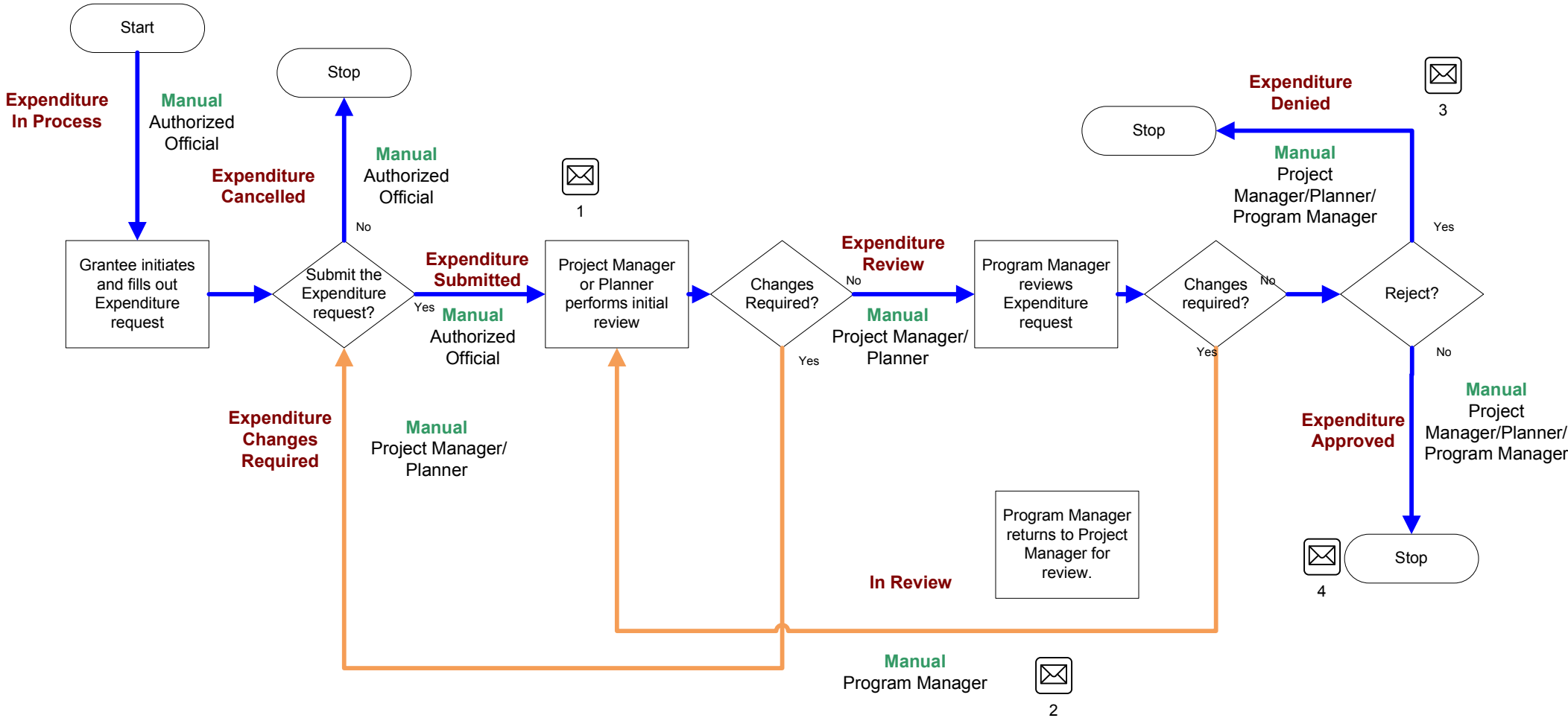
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Expenditure (Description) Report Process Flow (Links to Advance)

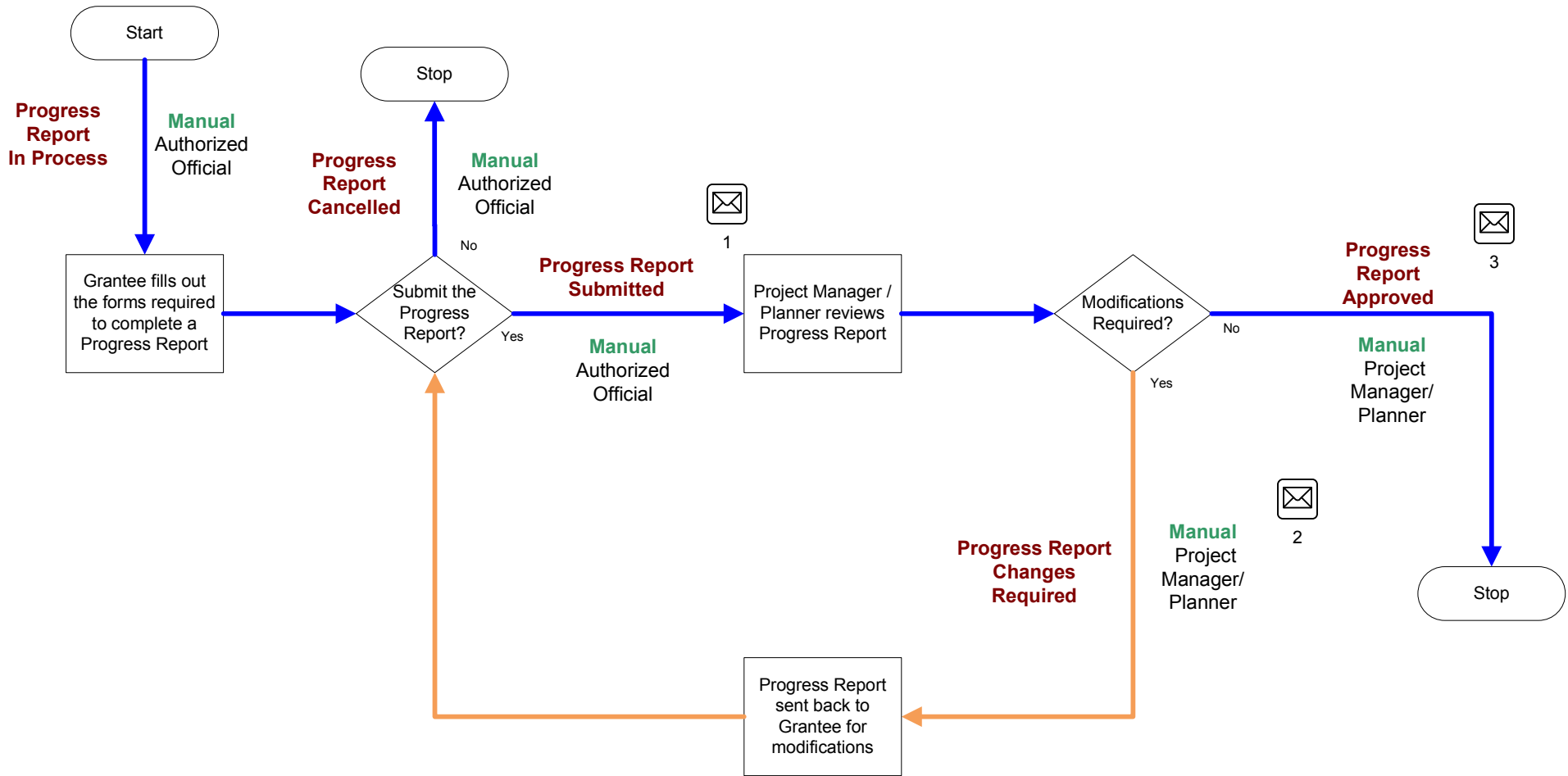
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Progress Report Process Flow

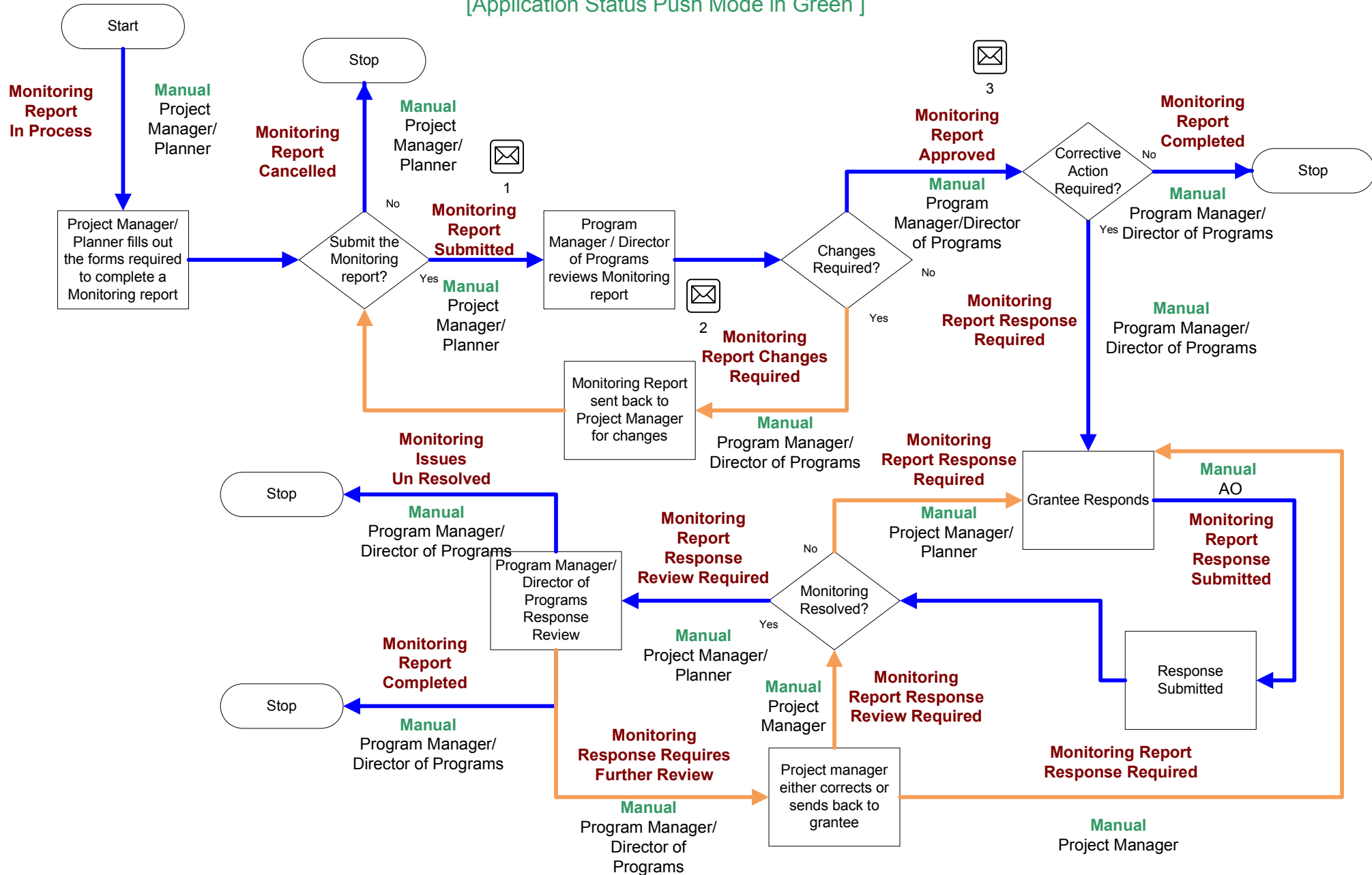
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Monitoring Report Process Flow

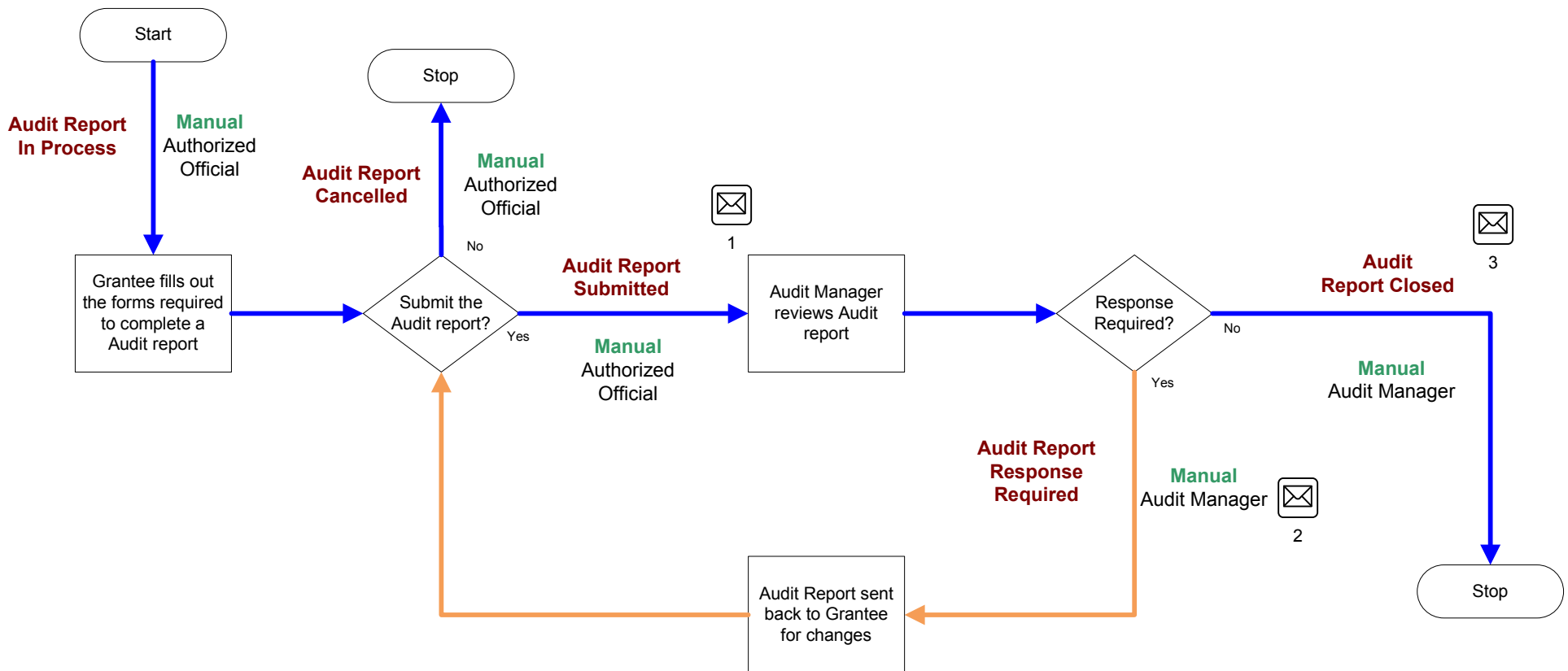
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Audit Report Process Flow

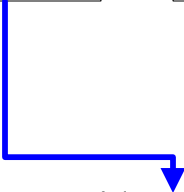
[Application Status is Shown in Red]
[Application Status Push Mode in Green]



Progress Report Re Payment

Accounting Staff enters payment info once check is received

NOTE: Need form or forms to allow for payment tracking, forms should include calculate or track check number, date received, amount, principle and interest split, month(s) payment made.



Aging report run by planners to track pass dues and other Progress Report monitoring needs.