

COMPLIANCE METRICS ADMINISTRATIVE REQUIREMENTS

The main Regulatory Resources that will be utilized in evaluating the Subrecipient's compliance with selected administrative requirements will be:

- The CRF Subrecipient Agreement with FHFC

In addition, compliance with selected requirements of applicable federal, state and local laws, rules, regulations, and ordinances will be evaluated. Compliance will be determined based upon an evaluation of the selected metrics listed below.

The Subrecipient provided documents and/or other materials to verify the following:

1. The establishment of a CRF Trust Fund or a Pooled account where CRF moneys are clearly designated.

Regulatory Resource:

CRF Subrecipient Agreement, paragraph C.3.

Evaluation Source(s):

Subrecipient general ledger/account ledgers; or Trust Fund bank statement (1 month); or Subrecipient response included on CRF Questionnaire

Monitoring will include an evaluation to determine whether the Subrecipient has established a separate CRF Trust Fund or has deposited CRF funds into a "Pooled" account. If a pooled account was utilized, CRF funds must be maintained separately from funds associated with other funding sources.

2. The maintenance of a financial tracking system provided by FHFC.

Regulatory Resource:

CRF Subrecipient Agreement, paragraph J.3.a.

Evaluation Source(s):

Subrecipient's financial tracking system

Monitoring will include an evaluation to determine whether the Subrecipient's office responsible for administering CRF funds is maintaining a financial tracking system.

3. CRF programmatic funds were utilized for only the following Eligible Housing Activities:

- Rental Assistance payments (including back rent, deposits, and utility payments)
- Mortgage payments and buydowns
- Emergency Repair of Housing
- Assistance to homeowners to pay insurance deductibles
- Housing re-entry assistance, such as security deposits, utility deposits, and temporary storage of household furnishings
- Foreclosure or eviction prevention, including monthly rent and associated fees
- Homeownership Counseling

Regulatory Resource:

CRF Subrecipient Agreement, paragraph C.4.c.

Evaluation Source(s):

Subrecipient's approved strategies for delivery of services; Subrecipient's account ledgers; Eligible Person or Household; Sub Grantee; or Sponsor files and documents

Monitoring will include an evaluation to determine whether CRF funds have been used only for Eligible Activities.

4. The advertisement of the availability of CRF funds (through print media **OR** electronic media to include public website or social media accounts) that contains the following key elements:

- The amount of funds projected to be received from the state for the fiscal year(s);
- The beginning and ending dates of the application period;
- An application beginning date that is at least 10 days after the advertisement's publication date;
- The name of the contact person and other pertinent information where applications may apply for assistance (phone number, address, email, and hours of operation).

Regulatory Resource:

CRF Subrecipient Agreement, paragraph C.6; Technical Guidance provided in memorandum dated July 28, 2020 from the FHFC Assistant Director for Special Programs, to CRF Participating Local Governments

Evaluation Source(s):

Copy of the Subrecipient's published advertisement; FHFC Allocation Amount

Monitoring will include an evaluation to determine whether the Subrecipient advertised the availability of funds in a manner compliant with provisions of the Agreement.

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5. CRF assistance provided to Eligible Persons or Households is being provided only in the form of a grant or a deferred or hard-pay loan.
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Regulatory Resource:

CRF Subrecipient Agreement, paragraph H.

Evaluation Source(s):

Subrecipient's approved strategies for delivery of services; Eligible Person or Household; Sub Grantee; or Sponsor files and documents

Monitoring will include an evaluation to determine whether all CRF funds awarded were in a form compliant with provisions of the Agreement.

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6. All CRF funds were Expended by December 30, 2020 (the expenditure deadline), if monitoring is performed after December 30, 2020.
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Regulatory Resource:

CRF Subrecipient Agreement, paragraph B.7. ; paragraph C.5.

Evaluation Source(s):

Review of monthly, quarterly, and if applicable, closeout reports submitted to FHFC; Subrecipient internal tracking; Subrecipient account ledgers

Monitoring will include an evaluation to determine whether the Subrecipient expended all CRF funds by the deadline identified in the Agreement.

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7. No more than 10% of the Subrecipient's CRF distribution is Expended on Administrative Expenditures.
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Regulatory Resource:

CRF Subrecipient Agreement, paragraph B.1. ; paragraph C.4.

Evaluation Source(s):

Documents included in Eligible Person or Household files; Subrecipient internal tracking; Subrecipient account ledgers; monthly, quarterly, closeout reporting

Monitoring will include an evaluation to determine whether the Subrecipient expended CRF for administrative expenditures in a manner compliant with the Agreement.

8. No more than 5% of CRF funds Expended on a single project is used for Project Delivery Costs.

Regulatory Resource:

CRF Subrecipient Agreement, paragraph B.9. ; paragraph C.4. (Clarification provided during 7/22/2020 webinar allowing for no more than 5% of project funds for PDCs.); Technical Guidance provided in memorandum dated July 28, 2020 from the FHFC Assistant Director for Special Programs, to CRF Participating Local Governments

Evaluation Source(s):

Documents included in Eligible Person or Household files; Subrecipient internal tracking; Subrecipient account ledgers; monthly, quarterly, closeout reporting

Monitoring will include an evaluation to determine whether the Subrecipient expended CRF for Project Delivery Costs (PDC) in a manner compliant with the Agreement.

9. All CRF funds were Expended for Administrative Costs that were incurred on or after March 1, 2020 and no later than December 30, 2020.

Regulatory Resource:

CRF Subrecipient Agreement, paragraph C.4.a. ; paragraph C.5.

Evaluation Source(s):

Documents included in Eligible Person or Household files; Subrecipient internal tracking; Subrecipient account ledgers; monthly, quarterly, closeout reporting

Monitoring will include an evaluation to determine whether the Subrecipient expended CRF for administrative expenditures in a manner compliant with the Agreement.

10. All remaining CRF funds (distribution less Administrative and PDC) were Expended for pre-approved program purposes or activities.

Regulatory Resource:

CRF Subrecipient Agreement, paragraph C.4.c.

Evaluation Source(s):

Documents included in Eligible Person or Household files; Approved Strategies for the Delivery of Services; Subrecipient internal tracking; Subrecipient account ledgers

Monitoring will include an evaluation to determine whether the Subrecipient expended remaining CRF funds in a manner compliant with the Agreement.

11. All unexpended funds resulting from the following reasons and remaining at the conclusion of the Period of Performance (March 1, 2020 to December 30, 2020) have been refunded to FHFC:

- Funds expended for costs that were incurred before or after the Agreement's Period of Performance (non-allowable costs)
- Upon termination of the Agreement, any unobligated funds advanced or paid to the Subrecipient prior to termination
- Any unexpended funds, including unexpended program income, remaining upon termination of the Agreement;
- Any funds paid in excess of the amount to which the Subrecipient or its contractors, subcontractors, or consultants are entitled under the terms and conditions of the Agreement.
- Any funds not paid in accordance with the conditions of the Agreement or applicable law.

Regulatory Resource:

CRF Subrecipient Agreement, paragraph C.4.c.

Evaluation Source(s):

Documents included in Eligible Person or Household files; Approved Strategies for the Delivery of Services; Subrecipient internal tracking; Subrecipient account ledgers

Monitoring will include an evaluation to determine whether the Subrecipient addressed repayment of unexpended CRF funds in a manner compliant with the Agreement.

END OF CHECKLIST

**COMPLIANCE METRICS
PROGRAMMATIC REQUIREMENTS**

(Eligible Person/Household, Activity, and Unit; Delivery of Assistance; Documentary Support of Payments)

The main Regulatory Resources that will be utilized in evaluating the Subrecipient's (or in situations where the responsibility has been delegated to a contracted Eligible Sponsor or Sub-Grantee) compliance with qualifying an Eligible Person, Household, and unit; delivering assistance to the same utilizing an eligible activity; and documenting payments made will be:

- The CRF Subrecipient Agreement with FHFC
- The executed contractual document between the Subrecipient and/or the Sub-Grantee or Eligible Sponsor
- Guidance provided by the U.S. Department of the Treasury

In addition, compliance with selected requirements of applicable federal, state and local laws, rules, regulations, and ordinances will be evaluated. Compliance will be determined based upon an evaluation of the selected metrics listed below.

The Subrecipient (or Sponsor/Sub-Grantee provided documents and/or other materials to verify the following:

- 1.** The applicant person or household has suffered a hardship caused by the COVID-19 pandemic.

Evaluation Source(s):

Self-Certification form

Monitoring will include an evaluation to determine whether the Subrecipient provided assistance to an applicant person or household who suffered a hardship caused by the COVID-19 pandemic.

- 2.** The **type of assistance** provided (i.e. Deferred/Forgivable/Hard Pay Loan or Grant).

Evaluation Source(s):

Approved Strategy for the Delivery of Services; documents maintained in the Eligible Person or Household file

Monitoring will include an evaluation to determine whether all assistance to Eligible Persons or Households was provided in types compliant with the Agreement.

3. Assistance provided as **Rental Subsidies** is provided as direct rental assistance in any of the following manners:

- Security and utility deposit assistance to secure temporary or permanent rental housing
- Eviction prevention not to exceed 10 months' rent
- A rent subsidy program for income eligible households that are displaced from rental units that are uninhabitable.

Evaluation Source(s):

Approved Strategy for the Delivery of Services; documents maintained in the Eligible Person or Household file such as invoices for rent and deposits; Subrecipient account ledgers

Monitoring will include an evaluation to determine whether Rental Subsidies benefitting Eligible Persons or Households were provided in a manner compliant with the Agreement.

4. Assistance provided for **Mortgage Payments** applies to only the following payment components (Real Estate Taxes are specifically excluded UNLESS assistance is designed to prevent foreclosure):

- Principle and Interest
- Insurance
- Homeowner Association Fees
- Utilities (**CLARIFICATION FROM FHFC SPECIAL PROGRAMS STAFF**): Allowable Mortgage Payments include costs for utilities.
- Real Estate (Property) Taxes
- If Real Estate Tax payments included, documents verifying assistance was to prevent foreclosure

Evaluation Source(s):

Approved Strategy for the Delivery of Services; documents maintained in the Eligible Person or Household file such as mortgage payment invoices; Subrecipient account ledgers

Monitoring will include an evaluation to determine whether Mortgage Payments benefitting Eligible Persons or Households were provided in a manner compliant with the Agreement.

5. If award maximums have been established by the Subrecipient, the **assistance amount** provided did not exceed the maximum award limit specified in the approved Strategy.

- The assistance amount on the internal tracking is consistent with the amount based upon file documentation.
- The assistance amount on the internal tracking is consistent with the lien document amount.

Evaluation Source(s):

Approved Strategy for the Delivery of Services; documents maintained in the Eligible Person or Household file; lien document; Subrecipient account ledgers

Monitoring will include an evaluation to determine whether assistance amounts benefitting Eligible Persons or Households did not exceed Subrecipient-imposed award maximums for pre-approved activities/strategies.

6. The **loan terms** listed below are **consistent** between the lien document and the strategy under which assistance in the form of a deferred or hard pay loan is being provided.

- Loan type (deferred payment or amortized)
- Interest Rate
- Years in Loan Term
- Default/Repayment
- Forgiveness

Evaluation Source(s):

Approved Strategy for the Delivery of Services; documents maintained in the Eligible Person or Household file; lien document

If applicable, monitoring will include an evaluation to determine whether loan assistance amounts benefitting Eligible Persons or Households were provided under terms consistent between the pre-approved strategy and the lien documents.

7. Assistance was provided to an **Eligible Person or Household**.

Evaluation Source(s):

Approved Strategy for the Delivery of Services; documents maintained in the Eligible Person or Household file such as the Income Certification, Self-Certification, and documents verifying compliance with Subrecipient-mandated requirements.

Monitoring will include an evaluation to determine whether assistance benefitted only applicant persons or households meeting both income and other Subrecipient-mandated eligibility requirements.

8. CRF Income Limits were used AND were not exceeded.

Evaluation Source(s):

FHFC CRF for Homeowners and Renters Maximum Income Limit chart; Approved Strategy for the Delivery of Services; Documents maintained in the Eligible Person or Household file (Income Certification); Subrecipient internal tracking

Monitoring will include an evaluation to determine whether appropriate income limits were used by the Subrecipient when income-qualifying an applicant person or household.

9. The assisted unit was "**Eligible Housing.**" **CLARIFICATION FROM FHFC SPECIAL PROGRAMS STAFF:** Mobile homes constructed BEFORE June 1994 are eligible for rent OR mortgage payment assistance.

Evaluation Source(s):

Approved Strategy for the Delivery of Services; documents maintained in the Eligible Person or Household file, such as an appraisal, sale/purchase contract; Property Appraiser Information

Monitoring will include an evaluation to determine whether assistance was provided to only "Eligible Housing" units as described in the Agreement.

10. If a **priority** in awarding CRF funds was made to the Eligible Person or Household, documentation supporting the priority.

Evaluation Source(s):

Approved Strategy for the Delivery of Services; documents maintained in the Eligible Person or Household file, such as documents verifying Special Needs or Essential Personnel status

If applicable, monitoring will include an evaluation to determine whether the circumstance providing for a priority in awarding was documented.

11. Funds committed to a project **were Expended.**

(as evidenced by:)

- a completed project
- issuance of a certificate of occupancy (new); final building inspection (existing-rehab)
- occupancy by an eligible person or household

For assistance to tenants of rental housing or foreclosure assistance payments:

- funds were transferred to a tenant, resident, lending institution, utility provider or landlord

Evaluation Source(s):

Documents maintained in the Eligible Person or Household file such as proof of a transfer of funds to a landlord or mortgage company, or a Certificate of Occupancy or Completion; Subrecipient internal tracking; Subrecipient account ledgers

Monitoring will include an evaluation to determine whether assistance benefitting the Eligible Person or Household was “Expended” as defined by the Agreement.

12. Client files contain at least **minimum documentation requirements** to support the type of award, the funding source, and payments made.

for ALL Files:

- Application for CRF Eligible Person or Household Assistance that, at a minimum, contains the following items:
 - The number of people residing in the household including name, age, relationship to head of household, current address and home phone number;
 - Name and address of employer(s), work phone number(s), position title and number of years on job with employer;
 - Sources of annual income, including earned, unearned and asset income, and a statement signed by all of the adults who reside in the household consenting to the disclosure of information for the purpose of verifying income and assets for determining income eligibility for program assistance;
 - A signed statement indicating that the applicant understands that all information provided is subject to Florida’s public records laws.
 - A statement that it is a first-degree misdemeanor to falsify information for the purpose of obtaining assistance.
 - A self-certification of income completed and signed by each adult household member and which has been notarized **OR** witnessed by staff of the Subrecipient.
- Income Certification Form (Needed to document the calculation of Eligible Person or Household Annual Income)
- Letter of Commitment
- Lien Document (if assistance is in the form of a deferred or hard-pay loan)
- Copies of Invoices and Proof of Payment
- Contractual provision stating that the Subrecipient must comply with all applicable federal, state and local laws, rules, regulations, and ordinances in administering CRF under this Agreement

for RENTAL SUBSIDY Files:

- Copy of a current, executed Lease Agreement
- Documentation of Security and Utility deposit amounts
- Documentation of Past Due Utility amounts
- Documentation of Past Due rental payments or eviction notice

for MORTGAGE ASSISTANCE / FORECLOSURE ASSISTANCE Files:

- Documentation of Property Ownership
- Copy of monthly mortgage statement
- Documentation of Principle and Interest amounts
- Documentation of Insurance amounts
- Documentation of Homeowner Association Fees
- Documentation of Utility Payment amounts
- Documentation of Real Estate Taxes (Foreclosure Assistance only)

Evaluation Source(s):

The CRF Subrecipient Agreement; Executed contractual document between the Subrecipient and/or the Sub-Grantee or Eligible Sponsor; Documents maintained in the Eligible Person or Household file; Subrecipient File Checklist; Approved Strategy for the Delivery of Services

Monitoring will include an evaluation to determine whether the Subrecipient (or Sub-Grantee or Sponsor) obtained all documents necessary to support the expended assistance benefitting the Eligible Person or Household. Documentation will vary depending upon the Subrecipient’s document requirements and the strategy under which assistance was provided.

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- 13. Subrecipient-mandated requirements** (such as being current on property taxes; first-time homebuyer; completion of home buyer education/training course) have been verified and documented.
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Evaluation Source(s):

The CRF Subrecipient Agreement; Executed contractual document between the Subrecipient and/or the Sub-Grantee or Eligible Sponsor; Documents maintained in the Eligible Person or Household file; Subrecipient File Checklist; Approved Strategy for the Delivery of Services

Monitoring will include an evaluation to determine whether the Subrecipient (or Sub-Grantee or Eligible Sponsor) obtained all documents necessary to verify compliance. Documentation will vary depending upon the Subrecipient’s eligibility and document requirements, and the strategy under which assistance was provided.

The following items are to be completed ONLY IF the subrecipient elected to use 3rd-party Evaluation Source(s) to income-qualify an applicant.

16. All **reported assets** were verified using an acceptable METHOD of documentation.

- For sources for which 3rd party verification was not used, the client file was documented to explain why 3rd party verification was not available.
- Discrepancies in reported assets were investigated and documented.
- Each verification used reported data that was less than 12 months old.
- Each verification used contained information necessary to calculate and annualize asset income (if applicable).
- Income from assets was calculated correctly and included in the calculation of household AGI.
- Assistance was provided only to those households where the total cash value of assets was within limits established in the approved CRF Strategy for the Delivery of Services.

Regulatory Resource:

HUD Handbook 4350.3

Evaluation Source(s):

Documents maintained in the Eligible Person or Household file (Third-party verifications; Income Certification); Subrecipient File Checklist

If the Subrecipient (or Sub-Grantee or Sponsor) is not utilizing self-certification to income-qualify an applicant person or household, monitoring will include an evaluation to determine whether the Subrecipient (or Sub-Grantee or Sponsor) obtained all asset verifications documents necessary to calculate the applicant person or household's "Annual income," as defined in the Agreement.

17. All **reported income sources** were verified using an acceptable METHOD of documentation.

- For sources for which 3rd party verification was not used, the client file was documented to explain why 3rd party verification was not available.
- Discrepancies in reported income sources were investigated and documented.
- Each verification used reported data that was less than 12 months old.
- Each verification used contains information necessary to annualize income.
- The calculation of household Annual Gross Income did not contain errors.

Regulatory Resource:

HUD Handbook 4350.3

Evaluation Source(s):

Documents maintained in the Eligible Person or Household file (Third-party verifications; Income Certification); Subrecipient File Checklist

If the Subrecipient (or Sub-Grantee or Sponsor) is not utilizing self-certification to income-qualify an applicant person or household, monitoring will include an evaluation to determine whether the Subrecipient (or Sub-Grantee or Sponsor) obtained all asset verifications documents necessary to calculate the applicant person or household's "Annual income," as defined in the Agreement.

END OF CHECKLIST



COMPLIANCE METRICS

SUBRECIPIENT / SUB-GRANTEE - ELIGIBLE SPONSOR CONTRACTUAL DOCUMENT / SUBRECIPIENT MONITORING OF SUB-GRANTEE - ELIGIBLE SPONSOR ACTIVITIES

The main Regulatory Resources that will be utilized in evaluating the Subrecipient’s compliance with monitoring the activities of a Subrecipient or Eligible Sponsor will be:

- The CRF Subrecipient Agreement with FHFC
- The executed contractual document between the Subrecipient and the Sub-Grantee or Eligible Sponsor
- The Subrecipient’s Monitoring Plan (for the monitoring of Sub-Grantee or Eligible Sponsor activities, if such a plan has been developed)

In addition, compliance with selected requirements of applicable federal, state, or local laws, rules, regulations, and ordinances will be evaluated. Compliance will be determined based upon an evaluation of the selected metrics listed below.

The Subrecipient provided documents and/or other materials to verify the following:

1. An executed contractual document between the Subrecipient and the Sub-Grantee or Eligible Sponsor.

Evaluation Source(s):

CRF Subrecipient Agreement; Executed Contractual Document between Subrecipient and Sub-Grantee or Eligible Sponsor

FHFC monitoring will include an evaluation to determine whether a contractual document exists between the Subrecipient and the Sub-Grantee or Eligible Sponsor.

2. As of the time of monitoring, the Subrecipient provided documents and/or other materials **OF ITS MONITORING ACTIVITIES** used to verify the Sub-Grantee or Eligible Sponsor's compliance with the terms and conditions of the contractual document.

Evaluation Source(s):

Executed Contractual Document between Subrecipient and Sub-Grantee or Eligible Sponsor; Sub-Grantee or Sponsor documents, including fiscal, Eligible Person or Household files; and other documents collected as part of the Subrecipient’s monitoring activity

FHFC monitoring will include an evaluation to determine whether the Subrecipient has obtained and evaluated necessary documentation; and performed adequate monitoring to determine whether the Sub-Grantee or Eligible Sponsor’s activities conform to program requirements.

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3. The Subrecipient is periodically **reconciling and verifying all funds provided to the Sub-Grantee or Eligible Sponsor** against all funds Expended during the period specified in the contractual document.
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Evaluation Source(s):

Executed Contractual Document between Subrecipient and Sub-Grantee or Eligible Sponsor;
Subrecipient reconciliation of amounts paid to award/contract amount

FHFC monitoring will include an evaluation to determine whether the Subrecipient's monitoring of Sub-Grantee or Sponsor activities included reconciliations ~~and audits~~ to ensure the accuracy of payments and uses of award funds.

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4. Each payment request examined contained the appropriate signatures as required by the contractual document.
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Evaluation Source(s):

Executed Contractual Document between Subrecipient and Sub-Grantee or Eligible Sponsor;
Subrecipient Monitoring Plan (if applicable); Subrecipient Finance / Accounting business practices;
Payment Requests including required supporting documents

FHFC monitoring will include an evaluation to determine whether payment requests were approved in a manner compliant with processes described in the contractual document and/or with business processes prescribed by the Subrecipient's Finance / Accounting unit.

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5. Each payment request examined was accompanied by supporting documentation as identified in the contractual document.
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Evaluation Source(s):

Executed Contractual Document between Subrecipient and Sub-Grantee or Eligible Sponsor;
Subrecipient Monitoring Plan (if applicable); Subrecipient Finance / Accounting business practices;
Payment Requests including required supporting documents

FHFC monitoring will include an evaluation to determine whether payment requests were supported by supporting documentation in a manner compliant with processes described in the contractual document and/or with business processes prescribed by the Subrecipient's Finance / Accounting unit.

END OF CHECKLIST
