

Guide for Review of Equipment Management and Equipment Disposition			
Name of Program Participant:			
Staff Consulted:			
Name(s) of Reviewer(s)		Date	

NOTE: All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance. All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the reviewer in understanding the participant's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a "**finding.**"

Instructions: This Exhibit is designed to assist the HUD reviewer in determining the program participant's compliance with the equipment management and disposition requirements at 24 CFR 570.502(a)(8) (2013 edition) and 24 CFR 85.32. The HUD reviewer should randomly select an appropriate sample (e.g., based on size of last grant, amount of time allocated for monitoring, results of pre-monitoring preparation) of equipment acquired with CDBG funds as a basis for completing this Exhibit. If the program participant's accounting system includes information on equipment acquired with grant funds, the HUD reviewer may want to use this as a starting point for selecting the sample of equipment transactions. **Note: This Exhibit is to be used to monitor program participants with funds not subject to the requirements at 2 CFR Part 200. This applies to Community Development Block Grant (CDBG) funds obligated (contracted) by grantees prior to December 26, 2014. For funds obligated (contracted) by grantees after December 26, 2014, please use Exhibit 34-4.**

This Exhibit includes citations to regulations that pre-dated HUD's implementation of 2 CFR Part 200 (e.g., 24 CFR Part 85 (2013 edition) and 24 CFR Part 570 (2013 edition). CPD staff conducting monitoring should use the citations in this Exhibit when making findings.

Questions:

A. SAMPLE

1.

Provide information on the selected sample of equipment transactions in the table below. (If additional rows are needed, please attach an additional sheet.)						
Item	Date Acquired	Acquisition Cost	Amount of Non-CDBG or other Federal \$ Used (if any)	Disposition Date (if applicable)	Method of Disposition (if applicable)	CDBG Program Income Amount

B. EQUIPMENT MANAGEMENT

2.

Does the program participant maintain property records which contain the information required by 24 CFR 85.32: [24 CFR 570.502(a)(8); 24 CFR 85.32 (2013 edition)]			
a. property description?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
b. serial number or other identification number?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
c. funding source (grant number)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
d. title holder?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
e. acquisition date and cost?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
f. percentage of Federal participation in original acquisition cost?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
g. location, use and condition of property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
h. if, applicable, disposition data, such as date of disposal and sales price?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

3.

a. Has a physical inventory of equipment been taken and the results reconciled with the property records within the last two years? [24 CFR 570.502(a)(8); 24 CFR 85.32(d)(2) (2013 edition)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

b. What was the date of the last inventory and the results?

Describe Basis for Conclusion:

4.

Has the program participant developed a control system for adequately safeguarding property against loss, damage, or theft?

[24 CFR 570.502(a)(8); 24 CFR 85.32(d)(3) (2013 edition)]

Describe Basis for Conclusion:

5.

Does the program participant have adequate maintenance procedures for keeping property in good condition?

[24 CFR 570.502(a)(8); 24 CFR 85.32(d)(4) (2013 edition)]

Describe Basis for Conclusion:

C. EQUIPMENT DISPOSITION

6.

If the program participant sold equipment purchased with CDBG funds, were the proceeds from the sale kept as program income?

[24 CFR 570.502(a)(8) (2013 edition)]

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yes	No	N/A

Describe Basis for Conclusion:

7.

a. Has the participant established proper sales procedures to ensure the highest possible return?

[24 CFR 570.502(a)(8); 24 CFR 85.32(d)(5) (2013 edition)]

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yes	No	N/A

Describe Basis for Conclusion:

b. If the program participant disposed of equipment by sale, did it follow its procedures?

[24 CFR 570.502(a)(8); 24 CFR 85.32(e) (2013 edition)]

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yes	No	N/A

Describe Basis for Conclusion:

8.

a. Does the program participant or any of its subgrantees have HUD-owned equipment?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yes	No	N/A

Describe Basis for Conclusion:

b. If the answer to “a” above is “yes,” is the equipment used in accordance with HUD rules and procedures per 24 CFR 85.32(f) (2013 edition)?

[24 CFR 570.502(a)(8); 24 CFR 85.32(f) (2013 edition)]

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yes	No	N/A

Describe Basis for Conclusion:

Exhibit 3-21
CDBG Entitlement Program

c. If the HUD-owned equipment was no longer needed, did the program participant request and follow HUD disposition instructions? [24 CFR 570.502(a)(8); 24 CFR 85.32(f)(3) (2013 edition)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	