



Frequently Asked Questions (FAQs) #2

November 7th, 2014

FY 2016 RFQ

Contact: CDBG@sandiego.gov

RFQ TIMELINE	
Close of business November 12, 2014	Last day for respondents to email questions
November 14, 2014	Last day for Technical assistance meetings
November 17, 2014 no later than 3pm	FY 2016 CDBG RFQ submittal deadline

General Questions

- 1. I am reviewing the 2016 RFQ checklist and see a new required item: Proof of registration on the Federal System for Award Management (www.sam.gov). I don't see a reference to this requirement in the RFQ handbook. Do we create a user account for our organization register our organization, or both?**

Please refer to RFQ Questionnaire describes how to receive your DUNS number:

You may obtain a number by calling 1-866-705-5711 or by registering for a DUNS number via the [website \(http://www.grants.gov/web/grants/applicants/organization-registration/step-1-obtain-duns-number.html\)](http://www.grants.gov/web/grants/applicants/organization-registration/step-1-obtain-duns-number.html) dedicated to serve US Federal Government Contractors and Grantees for this purpose.

You need to obtain a DUNS number (or ensure your number is currently active) and then you need said number to register in the [System for Award Management](#) (SAM) prior to submittal of an application for federal grant funds. Ensure to submit a print screen of the appropriate SAM webpage in order to demonstrate you are registered in SAM (see checklist).

- 2. Please advise as to who the eligible applicants are for the recently released RFQ.**

There are three types of eligible applicants: governmental agencies, private non-profit organizations and private for-profit organizations. Refer to Chapter 1-6, page 15 of [HUD's Managing CDBG Guidebook](#) for further details. Any such organization may pursue CDBG for Public Service and/or Community & Economic Development Projects (as described in pg. 4 of the [RFQ Handbook](#)).

Please do note that in accordance with the [FY 2015-2019 Consolidated Plan](#), the Strategic Plan (pg. 183) outlines that only non-profit organizations are eligible to apply for Capital Improvement Projects through the RFQ /RFP process (p.186-188).



- 3. We have a property that is leased by the City. We currently have a 5 year lease with the City of San Diego. We have been told that we need a 10 year lease in order to apply for CDBG funds. Is this true?**

The 10-year standard you reference may be associated with Code of Federal Regulations provisions (see sections 570.503 and 570.505) which require any real property acquired and/or improved with CDBG funds in excess of \$25,000 must provide the benefits to the population it intends to serve for a minimum of five years after the close out of the grant. Please note no such requirement would prevent an organization from qualifying through the current RFQ process. Abidance by these and many other applicable requirements is not a consideration until the RFP process and/or the contract phase for those projects/programs selected for funding.

- 4. We need funding for programming serving both in and outside the city of San Diego limits. Can we present a proposal for the program as a whole or must we ask for funding and present a budget just for the service delivery within the City limits?**

Applicant organizations may use CDBG funding from the City of San Diego to provide services exclusively to City of San Diego residents. Projects intended to benefit non-City of San Diego residents as well as City residents must demonstrate other sources of funding will be used to fund the services to non-City of San Diego residents –funded organizations will be required to document this requirement is being met.

- 5. I see in the Handbook that funding for FY 2016 has not been released yet. But do we have a ballpark range?**

Refer to page 185 of the [Consolidated Plan \(FY 2015 – FY 2019 Con Plan\)](#), which outlines how CDBG funds are allocated: 15% for Public Service, 10% for Community and Economic Development, 55% for Capital Improvement Projects and 20% for Administration (see exhibit 22). Refer also to table 82 of the Con Plan (page 185 as well) which illustrates how funds would be allocated presuming the City receives an \$11M entitlement. See page 189 of the Con Plan which illustrates how CDBG funding has decreased over the years.

- 6. Regarding the CDBG RFQ Handbook, page 5, IV RFQ components: Item #3. Agency documents – prepared by respondent agency (3 total). Two of the documents include: The Procurement Methods document and the Procurement Policies and Procedures. What is the third document?**

Refer to the RFQ Checklist which identifies the agency documents required to be submitted as show below:



1. Agency Organization Chart
2. Agency Organization Chart-each division/section that will administer FY 2016 CDBG Projects
3. Proof of registration on www.sam.gov (provide a print screen that the account is active or has been submitted for registration, and the 9 digit DUNS number).

Please note the procurement documents are not required to be submitted as part of the RFQ (but respondents should have said documentation).

Fiscal/Budget & Related Questions

- 7. On page 7 of the RFQ Handbook, there is a section regarding the Three Month Cash Rule. If I understand it correctly, CDBG project expenses are funded on a reimbursement basis, which means we spend our money first, submit a reimbursement claim, then the city issues a reimbursement check for our expenses. There are no “advance” funds for CDBG projects. Is my interpretation correct?**

Correct –CDBG funds are received by grantees strictly on a reimbursement basis.

- 8. In Section III, Financial Documentation and Budget Information: Three required documents are listed, followed by three budget-related requests (total operating budget, FY14/CY13 operating budget, current operating budget). For the budget information, are you looking for dollar amounts only or supporting documentation as well?**

No supporting documentation is required to be submitted beyond the documentation identified in the RFQ Checklist.

- 9. Regarding Section IV. Internal Controls: As a small organization (less than 25 full-time employees), there is an overlap of financial management duties. Our Director of Finance handles many of the accounts receivable/accounts payable tasks listed. Is this acceptable?**

An organization is required to have adequate internal controls which require separation of duties (not one individual has authority over a financial transaction from beginning to end).

Funded organizations will be required to provide additional documentation demonstrating that their internal control procedures are adequate and ensure the proper separation of duties (as shown by organization chart, position descriptions that include financial management responsibilities and clear written procedures that designate and delegate the roles of authority in all financial/budget approval processes). We recommend that applicants view [HUD’s Financial Management Training Curriculum](#) for further details.