

EXHIBIT E



FY 2025-2026 CDBG PUBLIC SOCIAL SERVICES REQUEST FOR PROPOSALS

FINANCIALS

A. Financial Statement

Non-profit applicants for CDBG Public Social Service funds must submit an annual financial statement or audit for the past two years along with their funding application. The financial statement or audit shall consist of either: 1) an unaudited financial statement compilation, 2) an annual independent financial audit in accordance with generally accepted auditing standards and General Auditing Standards, issued by the Comptroller General of the United States, or 3) a Single Audit under Part 200—Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart F-Audit Requirements §200.501 and §200.514. Applicants without two years of financial statement compilations or independent financial audits shall not be eligible to submit a funding application.

Applicants must include a Financial Ratio Calculator with their financial statements which must be **completed and signed** by their certified public accountant (firm).

Applicants for CDBG Public Social Service funds must submit copies of official Board meeting minutes that include documentation of submission, review and approval of year-end financial statement reports by the Board.

Applicants for CDBG Public Social Service funds shall be responsible for maintaining documentation on the finance director's job description and/or resumes of the Chief Financial Officer of the organization and/or Board Treasurer and identify certified public accountant (firm) responsible for preparing financial statement compilations or financial audits.

C. Quarterly Payroll Taxes

Applicants must submit a copy of receipt of payment of most recent Federal and State quarterly payroll taxes (IRS Form 941). Please **DO NOT** include details of the employee social security number or information.

F. Financial Control Systems and Audits-Non-Profit Organizations

Applicants approved for CDBG Public Social Services funding (Agency) shall comply with 2 CFR 200 Subpart D-Post Federal Award Requirements, §200.300- 200.345 which include maintaining accounting principles and procedures required therein, utilizing adequate internal and budget controls, and maintaining necessary source documentation and accounting records that sufficiently identify the source and application of CDBG funds. HUD standards for accounting records, per §200.302 shall require that agencies have in place an accounting system that at the minimum has the following elements: chart of accounts, cash receipts journal, cash disbursements journal, payroll journal, general journal and general ledger.

Internal Controls shall refer to a combination of policies, procedures, defined job responsibilities, personnel, and records that allow the Agency to maintain adequate oversight and control of its cash, property, and other assets charged to CDBG funded programs. Upon receiving funding, the Agency shall maintain written policies and procedures regarding approval authority for financial transactions, accounting manuals, chart of accounts, adequate separation of duties, hiring policies and access to accounting records as specified under 2 CFR §200.303.

Budget Controls shall refer to policies and procedures that the Agency must have in place to compare and control CDBG expenditures against the approved, appropriated CDBG budget. The Agency shall have procedures to compare actual expenditures with budgeted amounts for each CDBG grant as specified under 2 CFR §200.308-200.309.

Agencies receiving CDBG funds shall comply with current City and federal procurement standards under 2 CFR §200.317-200.326 concerning the procurement and purchase of equipment, supplies, and services using CDBG funds to ensure that they are obtained as economically as possible through an open and competitive process.

Agencies shall maintain written standards of conduct covering conflicts of interest and governing the performance of employees, officers, and agents of the agency engaged in the selection of, award, or administration of a contract supported by CDBG funds under 2 CFR §200.318(c)(1).

Agencies receiving less than \$25,000 in CDBG funds per year shall be required to submit unaudited annual financial statements compilation for years where grant funds are received. The unaudited financial statements provided shall include an itemization of the receipt and use of the City CDBG funds. An attestation statement shall be provided by the Chief Executive Officer that the financial statements being submitted are true, correct, and free of any material misstatement and that funds were spent following the grant requirements.

Agencies receiving \$25,000 or more in CDBG funds per year shall be required to obtain an annual independent financial audit in accordance with generally accepted auditing standards and General Auditing Standards, issued by the Comptroller General of the United States for each grant year they receive CDBG funds. In addition to a financial audit, Agencies receiving over \$750,000 in total federal grant funds in a year are required to conduct and file a Single Audit in accordance with financial audit requirements under Part 200—Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart F-Audit

Requirements §200.501 and §200.514. The Agency shall be required to complete the Single Audit within 270 days after the ending date of the Agency's fiscal year.

All agencies shall be required to provide evidence on a quarterly basis verification of quarterly state and federal payroll tax payments including supporting source documentation for each employee covered by the CDBG grant.