

SUBRECIPIENT SELECTION CHECKLIST

This checklist provides useful criteria for selecting subrecipients and assessing risk. A grantee should use such criteria to determine whether a prospective subrecipient has the necessary systems in place for the Federal requirements that impact the type of activity being proposed. The grantee should “walk through” a hypothetical scenario involving the proposed activity to assess how the requirements on the checklist will be handled. This will allow the grantee to gauge the completeness of the prospective subrecipient’s systems and determine whether any technical assistance and/or close oversight will be necessary.

- Project is eligible and meets one of the three broad National Objectives:
 - Principally benefits low- and moderate-income persons;
 - Prevents or eliminates slum or blight;
 - Addresses an urgent need or problem in the community.
- Project fits into the community priorities set out by the Consolidated Plan.
- Project can be completed within a reasonable time frame.
- Prior experience with CDBG related activities, **and/or**
- Prior experience with other grant programs, and proven record carrying out similar projects in the community.
- Financial capacity as indicated by audited financial statements and banking/credit references.
- Financial stability (not total dependence on CDBG funds) as indicated by other funding sources and amounts, over time.
- Adequate staffing (number of staff and qualifications).
- Organizational strength, including:
 - Record-keeping methods;
 - Filing systems;
 - Financial systems; and
 - Existence of a written procedures manual for financial management and personnel.