Community Enhancement Grant

(CEG)

Application Preparedness Tool

This is a comprehensive pre-application checklist designed to prepare applicants.

If you're trying to **evaluate your organization's preparedness** or are planning to **use this as a working checklist**, here's a step-by-step guide to help you get organized and know what you need to prepare.

- Use to assess your readiness
- Keep as part of your grant prep files

Questions: ComplianceandPlanningUnit@raleighnc.gov

Timeline:

*****The timeline is subject to change**

October

- The process is initiated
- Request For Proposal (RFP) is advertised
- Mandatory Information Session is announced
- Interested applicants only have to attend one (1) session ONLY

November

- Virtual "Open" Q and A may be provided
- Deadline for written questions
- City's response to questions

December

- Proposals are due

April/May

- Applicants are notified of award status

Board of Directors / Governance

- More than one board member.
- Board list with contact info (email, phone), term dates, and roles.
- Clear board oversight of Executive Director (ED).
- Recent board meeting minutes (within the last 12 months).
- ED is **not** a voting board member if salaried (conflict of interest warning).
- Officers assigned: President, Secretary, Treasurer.

❗ If *any of the above is missing* — STOP here. You're not eligible yet.

Governing Board & Oversight

Question-Yes or No

Do you have more than one board member?

Do you have a board list with contact info, terms, and role?

Are meeting minutes available for the last 12 months?

Is the ED a **non-voting** board member (if salaried)?

Are roles assigned: President, Secretary, Treasurer?

Collaboration Documentation

- Letters of Support from partners.
- Memorandums of Agreement (MOAs) or MOUs.
- Contracts with collaborative service providers.

❗ No documentation = not eligible to apply.

Collaboration

Question-Yes or No

Do you have Letters of Support or MOUs?

Do you have formal MOAs or contracts with partners?

Budget & Financials

- Comprehensive project budget with **justification** for each line item.
- Budget reflects only **allowable** (no electronics, admin, etc.) and **reasonable** expenses.
- Admin/indirect costs are **not** reimbursed but **must** be listed.
- You understand AARN principles (Allowable, Allocable, Reasonable, Necessary).
- Budget allocations are for a **12-month contract period** (FY: July 1 – June 30).
- Can provide:
    - Most recent financial statement (within 2 years).
    - Audit (required if asking for $25K+).
    - Name/address of financial officer or accountant.

A **comprehensive budget** in the context of a grant application (like your CDBG-CEG program) refers to a **detailed financial plan** that shows **all costs associated with the proposed project**—not just those that the grant will fund. It provides a full picture of how the project will operate financially, including funding sources and expense breakdowns.

Key Components of a Comprehensive Budget

All-Inclusive Scope

- Includes **both reimbursable and non-reimbursable costs** (required even if certain expenses aren't covered by the grant).
- Shows **total project costs**, not just what you're asking the funder to pay.

Expense Categories *(specific to your CEG application)*:

- **Staff Costs**
    - Salaries and wages for employees working on the project
    - Must clarify roles and time allocation

    - Note: If over 50% of the budget, strong justification is suggested
- **Program Costs**
    - Supplies, equipment, outreach materials, direct services
    - Contracted services (e.g., facilitators, evaluators)
- **Administrative Costs**
    - Rent, utilities, insurance, accounting—**required** to show even if not reimbursable
    - These should be labeled as "non-reimbursable" if excluded from grant eligibility

Clear Line-Item Justifications

Each line item should:

- Be specific (not just "miscellaneous")
- Show calculations or basis for cost (e.g., "3 staff @ $20/hr for 15 hrs/week for 6 months")
- Explain **why** it's necessary for project success

Funding Sources

- Show **where the rest of the money comes from**:
    - Other grants, donations, in-kind contributions, program income, or reserves
- Should **clearly differentiate** what the City of Raleigh would fund vs. what others are funding

Consistency

- The budget must match and support the narrative in your application:
    - If the project is described as volunteer-driven, staff costs shouldn't be 80%

    - If you mention language access services, you should show related costs

Common Mistakes to Avoid

- Only including what you want the grant to fund, ignoring total cost
- Vague or lump-sum costs (e.g., "Admin: $10,000" with no explanation)
- Missing staff roles or unjustified salaries
- Mislabeling non-reimbursable costs as reimbursable
- Budget numbers that don't match what's in the project description

Example (Simplified)

Category	**Item**	**Cost**	**Funding Source**
Staff Costs	Program Coordinator (50%)	$25,000	City of Raleigh (partial)
	Data Specialist (25%)	$12,500	Private Foundation
Program Costs	Workshop Materials	$3,000	City of Raleigh
	Transportation vouchers	$2,000	Donations
Administrative Costs	Rent (20% of org rent)	$4,000	Non-reimbursable
	Insurance	$1,500	Non-reimbursable
TOTAL PROJECT COST		**$48,000**	

Audited financials are **independently reviewed financial statements** of an organization, typically prepared and certified by a licensed **Certified Public Accountant (CPA)** or accounting firm. They provide an objective assessment of an organization's financial health, accuracy of recordkeeping, and compliance with generally accepted accounting principles (**GAAP**).

What's Included in Audited Financials

Audited financials usually include the following components:

1. **Auditor's Report (or Opinion Letter)**
    - States whether the financials **fairly represent** the organization's financial position
    - Can be **unqualified (clean)**, **qualified**, or **adverse**—a clean opinion is ideal
2. **Statement of Financial Position (Balance Sheet)**
    - Shows assets, liabilities, and net assets at a specific point in time
3. **Statement of Activities (Income Statement)**
    - Shows revenue, expenses, and changes in net assets over the audit period
4. **Statement of Cash Flows**
    - Breaks down how cash moved in and out of the organization (operating, investing, financing)
5. **Notes to Financial Statements**
    - Detailed explanations of accounting policies, loans, restrictions on funds, etc.
6. **Schedule of Federal Awards (if applicable)**
    - Required if the organization receives **$750,000 or more** in federal funds annually
    - Part of a **Single Audit** under **OMB Uniform Guidance**

Why Are Audited Financials Important?

- **Grant eligibility & compliance**: Funders often require audited financials to verify fiscal responsibility
- **Accountability**: Shows donors, board members, and government agencies that your finances are transparent and well-managed
- **Risk assessment**: Funders use audits to assess potential financial risks in funding your organization

What If My Organization Doesn't Have Audited Financials?

If your organization is smaller and doesn't have the resources for a full audit:

- Provide **unaudited financials** prepared internally or by a bookkeeper
- Include a **review or compilation** by a CPA (less rigorous than a full audit)
- Explain in the application why audited financials are unavailable and describe your internal financial controls

Budget & Financials

Question-Yes or No

Do you have a comprehensive, justified program budget?

Are costs **Allowable, Allocable, Reasonable, and Necessary (AARN)?**

Do you include admin/indirect costs separately (not reimbursed)?

Do you have your most recent (≤2 yrs) financial statement?

If applying for ≥ $25,000, do you have an audit?

Do you have the name/address of your CFO or accountant?

Low-Moderate Income (LMI) Eligibility

- Your program/service meets **one HUD National Objective**:
    - Limited Clientele (<80% AMI) OR
    - Presumed LMI population (homeless, DV survivors, elderly, etc.) OR
    - Area Benefit (serving a qualified low-income area)

❗ Must meet one LMI objective to proceed.

LMI Eligibility

Criteria Met-Yes or No

At least 51% of clients are under 80% AMI

OR: Serves presumed low-income group (e.g., homeless, DV survivors, etc.)

OR: Area-based eligibility (majority of residents under 80% AMI)

City Goals Alignment

- Project addresses **at least one** City of Raleigh Consolidated Plan goal:

    Examples of ConPlan goals may include

    - Increase in affordable housing
    - Enhance homelessness to housing continuum
    - Increase services to build self-sufficiency & sustainability

A HUD Consolidated Plan is a strategic planning document that U.S. cities, counties, or states must prepare in order to receive federal funding from the U.S. Department of Housing and Urban Development (HUD). It focuses on housing, homelessness, and community development needs, especially for low- and moderate-income residents.

What the Consolidated Plan Does

Identifies Community Needs

- Affordable housing
- Homeless services
- Public infrastructure
- Economic development
- Neighborhood revitalization
- Fair housing and anti-displacement efforts

Sets Funding Priorities

- Helps determine how **HUD funds** like:
    - **CDBG** (Community Development Block Grant)
    - **HOME** (Home Investment Partnerships)
    - **ESG** (Emergency Solutions Grant)
    - **HOPWA** (Housing Opportunities for Persons with AIDS)
    will be allocated over a 3–5 year period.

Aligns Local Goals with HUD Requirements

- Ensures cities are advancing HUD's mission to:
    - Provide decent housing

- Create a suitable living environment
- Expand economic opportunity, especially for low- and moderate-income persons

What's Included in a Consolidated Plan?

Needs Assessment

- Housing needs by income level
- Homelessness trends
- Special populations (seniors, veterans, disabled persons)

Market Analysis

- Housing stock
- Rental affordability
- Access to public services and jobs

Strategic Plan

- Long-term goals and performance outcomes
- Specific strategies for affordable housing, homelessness, community development

Annual Action Plan

- Outlines how HUD funds will be spent **each year** based on the long-term strategy
- Must be submitted and approved annually

Citizen Participation Plan

- Details how residents (especially low-income individuals) can provide input
- Includes public meetings, surveys, and comment periods

Why It Matters (Especially for Grant Applicants)

- If you're applying for a HUD-funded local grant like **CDBG-CEG**, your **project should align with the goals and priorities** stated in your city or county's Consolidated Plan.
- Reviewers will check for alignment with those priorities—programs that **fill identified gaps or meet priority needs** are more competitive.

Where to Find It?

- Each city or jurisdiction posts their Consolidated Plan publicly.
- For example, the **City of Raleigh** has its Consolidated Plan available on its website, usually under the **Housing & Neighborhoods** or **Community Development** department.

Alignment with City Goals

Project Goal Match-Yes or No

Increases affordable housing

Enhances homelessness-to-housing continuum

Increases services for self-sufficiency and sustainability

Eligible Public Service

- Your program falls under an eligible activity:
    - Job training
    - Crime prevention
    - Childcare
    - Health services
    - Substance abuse services
    - Fair housing
    - Education
    - Senior services
    - Homeless services
    - Recreational or welfare services (excluding income payments)

Examples:

Job Training-Example:
A local nonprofit offers free construction trades training for unemployed low-income residents, including certifications, safety training (OSHA), and job placement assistance.

Crime Prevention-Example:
Funding a neighborhood watch program that includes community outreach, youth engagement initiatives, and security lighting improvements in high-crime LMI areas.

Childcare-Example:
Operating a subsidized daycare center for children of low-income working parents or those enrolled in job training programs, allowing them to maintain employment or attend classes.

Health Services-Example:
A mobile health clinic providing free immunizations, screenings, and basic care in underserved LMI neighborhoods, particularly targeting children and seniors.

Substance Abuse Services-Example:
Funding outpatient counseling services for low-income individuals dealing with addiction, including recovery support and access to rehabilitation referrals.

Fair Housing-Example:
Operating a fair housing counseling center that helps residents file housing discrimination complaints and provides education on tenant rights and responsibilities.

Education-Example:
Providing adult literacy classes, GED prep, or ESL (English as a Second Language) programs to low-income residents to improve employability and civic engagement.

Senior Services-Example:
Funding a senior center that offers daily hot meals, transportation to medical appointments, wellness checks, and social activities for low-income elderly residents.

Homeless Services-Example:
Supporting a nonprofit to operate a shelter and case management program that assists homeless individuals with transitioning to permanent housing and accessing services.

Recreational or Welfare Services (excluding income payments)-Example:
Operating after-school recreation and mentoring programs for low-income youth, including sports, tutoring, and arts programs, to foster development and prevent delinquency.

Policy & Procedure Manual

Must include **at least these 10 sections** clearly labeled:

1. Target population
2. Participant recruitment & retention
3. Eligibility requirements
4. Program structure
5. Financial management
6. Partner roles & responsibilities
7. Leveraged resources
8. Compliance with laws
9. Data collection
10. Performance evaluation

Must reference **specific pages** in your P&P manual for each.

Policy & Procedure Manual Example

Here is a **sample outline with example content** for a **Policy & Procedure Manual** that aligns with the 10 required sections listed.

This example assumes the organization is offering a **CDBG-funded workforce development program** in **Raleigh, NC**—but the structure can be adapted to other services (like housing assistance, youth services, etc.).

Program Name: *Pathways to Employment*
Effective Date: [Insert Date]
Revision Date: [Insert Date, if applicable]

1. Target Population

Policy:
This program is designed to serve low- to moderate-income residents of Raleigh, NC, with a focus on individuals who are unemployed, underemployed, or facing barriers to employment.

Procedure:
Eligibility is verified by intake staff through income documentation, residency confirmation, and employment status. Priority is given to individuals residing in HUD-designated LMI areas.

2. Participant Recruitment & Retention

Policy:
The organization will actively recruit participants through community outreach and retain them through supportive services and consistent communication.

Procedure:

- Distribute flyers at local shelters, food pantries, and churches.
- Conduct info sessions at libraries and community centers.
- Assign a case manager to each participant for ongoing support.
- Provide incentives for attendance and program completion (e.g., bus passes, certificates).

3. Eligibility Requirements

Policy:
Participants must meet HUD LMI guidelines and demonstrate a need for employment services.

Procedure:

- Submit proof of income (pay stubs, tax return, or public benefits statement).
- Provide ID and proof of Raleigh residency.
- Complete a self-assessment and intake interview.

4. Program Structure

Policy:
The program will offer a structured curriculum over a 12-week period, including job readiness, soft skills training, and placement assistance.

Procedure:

- Weeks 1–4: Life skills and soft skills training
- Weeks 5–8: Job-specific technical training
- Weeks 9–12: Resume prep, mock interviews, and job placement
- Weekly check-ins and progress tracking by case manager

5. Financial Management

Policy:
CDBG funds will be managed in accordance with federal, state, and city guidelines to ensure transparency and compliance.

Procedure:

- All expenses are pre-approved by the program director.
- A separate ledger is maintained for CDBG expenses.
- Financial reports submitted quarterly to the City of Raleigh.
- Annual audit conducted by a third-party accountant.

6. Partner Roles & Responsibilities

Policy:
All partner organizations must have a written MOU outlining roles, expectations, and deliverables.

Procedure:

- [Partner A] provides technical skills training and reports attendance weekly.
- [Partner B] offers wraparound services like mental health support.
- Program manager monitors partner performance monthly and hosts quarterly coordination meetings.

7. Leveraged Resources

Policy:
The program will leverage additional resources (in-kind, cash, volunteer time) to expand service capacity beyond CDBG funds.

Procedure:

- Partner with local businesses for equipment donations and job placements.
- Track in-kind services using a standardized reporting form.
- Document and report all leveraged resources in quarterly reports.

8. Compliance with Laws

Policy:
The program adheres to all federal, state, and local laws, including HUD CDBG regulations, EEOC, ADA, and Fair Housing laws.

Procedure:

- Staff receive annual training on civil rights and non-discrimination.
- ADA accommodation is available upon request.
- Grievance procedures are publicly posted and available in multiple languages.

9. Data Collection

Policy:
Participant data will be collected securely and used for monitoring and evaluation, while maintaining confidentiality.

Procedure:

- Intake and progress forms are completed using a secure online system.
- Data is backed up weekly and access is restricted to authorized personnel.
- Participant consent forms include data usage disclosures.

10. Performance Evaluation

Policy:
Program effectiveness will be evaluated using both qualitative and quantitative metrics.

Procedure:

- Track outputs: # of participants enrolled, completed, and placed in jobs
- Track outcomes: income increase, job retention at 90 days
- Conduct participant satisfaction surveys at exit
- Use data to adjust curriculum and improve service delivery annually

Project Planning & Evaluation

You must provide clearly written information on:

- Scope of work
- Implementation plan
- Goals
- Measurable objectives
- Outcomes & evaluation

Here's a **Project Planning & Evaluation** template example for a **CDBG-funded workforce development program** in **Raleigh, NC**—structured to include all the required components: Scope of Work, Implementation Plan, Goals, Measurable Objectives, and Outcomes & Evaluation.

You can adapt this template for different types of programs (e.g., youth services, homeless services, etc.).

Project Planning & Evaluation

Program Title: *Pathways to Employment*
Funding Source: City of Raleigh – CDBG Community Enhancement Grant
Duration: January 1, 2026 – December 31, 2026

Scope of Work

Pathways to Employment is a job training and employment readiness program designed to serve low- to moderate-income (LMI) residents of Raleigh, NC. The program offers soft skills workshops, industry-recognized certification training, resume building, and job placement services. Participants receive individualized support through case management and wraparound services such as transportation assistance and childcare referrals.

Target Population: Unemployed or underemployed adults aged 18+, residing in Raleigh, and meeting HUD LMI criteria.

Implementation Plan

Phase	Timeline	Activities
Phase 1: Outreach & Intake	Jan – Feb 2026	Community outreach, information sessions, participant enrollment, eligibility screening
Phase 2: Training Delivery	Mar – Aug 2026	Job readiness training, technical certification, soft skills, and digital literacy
Phase 3: Placement & Support	Sep – Dec 2026	Resume building, mock interviews, employer networking, job placement, follow-up
Ongoing	Jan – Dec 2026	Case management, performance monitoring, data collection, partner coordination

Project Implementation

Question-Yes or No

Is your **scope of work** clear?

Do you have a detailed **implementation plan**?

Are **goals and outcomes** measurable?

Is there a defined **evaluation process**?

Program Goals

1. Increase employment among LMI residents of Raleigh.
2. Enhance participants' job readiness through soft and technical skills training.
3. Facilitate sustainable employment placements and income growth.

Measurable Objectives

1. Enroll at least **50 eligible participants** in the program within the program year.
2. Ensure **80% of enrolled participants** complete the job training curriculum.
3. Secure **employment placements for 60%** of program graduates within 60 days of completion.
4. Provide at least **2 workshops per month** covering soft skills, digital literacy, or industry skills.
5. Maintain **90-day follow-up contact** with at least 75% of placed participants.

Outcomes & Evaluation

Expected Outcomes

- Participants will demonstrate increased job readiness.
- Graduates will gain stable employment.
- Participants will report improved confidence and employment-related skills.

Evaluation Methods

- **Pre/Post Assessments:** Used to measure skill gains and job readiness improvements.
- **Job Placement Tracking:** Employment status verified at 30-, 60-, and 90-day intervals.
- **Participant Surveys:** Satisfaction and feedback collected upon program completion.
- **Performance Monitoring Reports:** Reviewed quarterly for enrollment, completion, and employment metrics.
- **Data Management System:** All metrics tracked in a secure database; results reported to City of Raleigh as required.

Internal Controls

Must be able to document internal controls such as:

- Two signatures on checks
- Background checks for financial staff
- Financial separation of duties
- Written financial policies

Control Practice

Two-signature policy for checks

Background checks for financial staff

Written financial control policies exist

Funding Sources

- List of **all** funding sources (with award amount & period).
- Documentation confirming outside funding or match.
- Understand that the CEG match is **50% of the program budget**.

Question-Yes or No

Do you have a list of all funding sources and award amounts?

Do you have documentation confirming match funds?

Final Reminders

- Attend **mandatory workshop** during the grant cycle.
- Have **financial and organizational documents ready** well in advance.
- Expect **monitoring, reporting, and reimbursement via Neighborly portal** if selected.

If you answered YES to all items above:

You're in excellent shape — begin preparing for the CEG application process!

❌ **If you answered NO to any:**

Consider work on building capacity and gathering required documentation.

Next Steps

Review this checklist with your leadership or grant team.

Identify all "No" answers and assign follow-up tasks.

Organize your documents in a grant prep folder.

Sign up for notifications via MyRaleigh Subscriptions

Sample

CEG grant application content based on FY25-26 application

******Application content is subject to change each year******

Organization Information *(No points assigned)*

☐ Provide full legal name of the organization

☐ Include EIN/Tax ID

☐ Provide contact details for primary applicant

☐ Attach IRS 501(c)(3) letter or equivalent (if applicable)

Program Description *(No points assigned)*

☐ Provide a brief summary of your proposed program/project

☐ Define the purpose and goals of your project

☐ Identify the target community and how they benefit

Funding & Budget -(Scored Section)

Previous Management of Government Grants

☐ Disclose any prior unspent or returned funds from HUD or any federal/state/local agencies

☐ Provide explanation and resolution for any funds returned (if applicable)

Funding Sources (points assigned)

☐ List all current confirmed and pending funding sources

☐ Include name of funder, amount, and category (City of Raleigh or other)

Budget Sensibility (points assigned)

☐ Submit a **comprehensive project budget**, including:

   ☐ Staff costs

   ☐ Program costs

      ☐ Administrative costs (required even if not reimbursable)

      ☐ Clearly explain cost justifications for each line item

☐ Ensure staff costs are **justified** (especially if ≥50% of budget)

☐ Clarify non-reimbursable costs using **percentages**, not dollar amounts

CDBG Eligibility & Target Population (points assigned)

National Objective and Service Barriers (points assigned)

☐ Identify a CDBG National Objective relevant to your project

☐ Describe **2 specific barriers or service challenges** and how your services address them

Data Collection Process (points assigned)

☐ Explain your procedures for collecting HUD-required demographic and income data

Targeted Clientele Overview (points assigned)

☐ Describe the characteristics and needs of your target population

☐ Provide clear definitions and rationale

Priority Populations (points assigned)

☐ Select at least one from the priority populations list:

- People experiencing/exiting homelessness
- Extremely low-income individuals (≤30% AMI)
- Low-income youth
- Persons with disabilities
- Domestic violence victims
- Persons with HIV/AIDS
- Seniors
- New projects addressing gaps in LMI services

Income Eligibility Verification Process (points assigned)

☐ Describe step-by-step how your organization verifies client income eligibility

Delete-"Describe step-by-step how your organization verifies client income eligibility"

Change to: Describe income verification process-Include eligibility thresholds, documentation used, and staff roles

Program Delivery (points assigned)

Self-Sufficiency & Sustainability (points assigned)

☐ Explain how your program increases services to support self-sufficiency in Raleigh

☐ Describe service activities that promote sustainability

☐ Detail implementation plan and tasks for service activities

Goals, Outcomes & Evaluation (points assigned)

☐ Clearly define project goals, expected results, and your evaluation method

Governing Board Involvement (points assigned)

☐ Describe how your board supports activities that build self-sufficiency

Language Access (points assigned)

☐ Indicate if multilingual services are provided

☐ List specific languages and method of delivery (in-person, translated materials, etc.)

BONUS QUESTIONS (Optional for Extra Points)

Participant Testimonial (points assigned)

☐ Submit one compelling testimonial from a participant benefiting from your program

Program Accomplishments (points assigned)

☐ Share detailed highlights or accomplishments that support your funding request

Attachments Checklist

☐ IRS Determination Letter (501(c)(3))
☐ List of Board of Directors
☐ Most recent organization budget
☐ Project-specific budget
☐ Letters of Support (recommended)
☐ Any relevant MOUs/partnership agreements

Are all your attachments (budgets, financials, P&P) ready to go?

Be sure to complete and submit your application **by the deadline provided in the grant guidelines**.

Final Submission Readiness

This reduces submission errors and reinforces quality control

☐ All sections complete
☐ Required attachments uploaded
☐ Budget justifications included
☐ All narrative responses address scoring prompts
☐ Application reviewed by internal team
☐ Application submitted before the deadline.