

CHAPTER 16 –CLOSEOUT

PROJECT CLOSEOUT

Closeout is the process by which the Department determines that all requirements of the contract between the Department and the Grantee have been completed. Once all project activities have been completed, all funds have been drawn down, and the Department has monitored the project, the closeout process generally begins.

The Department will issue a Notice of Closeout letter to the grantee near the contract end date or upon payment of all CDBG funds for the project, whichever occurs sooner. The Notice of Closeout letter may also be sent when the grantee requests initiation of the closeout process for the project or upon receipt of a final draw down request.

Once the Notice of Closeout letter is received by the grantee, the grantee must submit the following items to the Department that include:

- The Final Financial Report
- The Final Performance Report
- The Final Wage Compliance Report (if applicable)
- And other documents applicable in order to complete closeout.

The Final Financial Report; the Final Performance Report; and the Final Wage Compliance Report (required only when Davis Bacon is triggered) must be submitted to the Department within 60 days after the date of the Notice of Closeout letter.

For additional information regarding final reporting items and a copy of the forms, please access the Department's website.

FINAL PROJECT STATUS REPORT

The Final Project Status Report (also known as the Final Performance Report) is completed after all CDBG activities have been completed for the project. The grantee select the "Final Report" box on the Report and identifies all accomplishments that were completed during the final project reporting period and cumulatively. The grantee is responsible for identifying the CDBG National Objectives that were met during the course of the project and to provide the appropriate beneficiary information. In addition, the grantee is also responsible for providing information on any Minority Business Enterprises/Women owned business enterprises (MBE/WBE) and also any project contracts related to Section 3 businesses. This data is recorded on the last pages of the Project Status Report.

FINAL FINANCIAL REPORT

This report provides information on the final program cost amounts for each of the CDBG activities that were in the project and also noted within the grantee's contract. This information includes: total activity costs paid; any CDBG program income expended during the project; and any local match expenditures. The report also identifies any remaining funds that the grantee will expend through the submittal of a final draw down request and also whether or not there are any CDBG funds that will be de-obligated. The Department accounting staff and the project's Program Representative will review this information for accuracy. If there are errors found in the Final Financial Report the Program Representative will work with the grantee and the CDBG Certified Administrator in revising and finalizing the data in the report.

FINAL WAGE COMPLIANCE REPORT

For projects that involve Davis Bacon and related acts only, the Final Wage Compliance Report is completed which identifies whether during the course of construction activities restitution was paid as a result of employees being paid less than what was required by the U.S. Department of Labor's Wage Determination Rate that was identified for the project. The grantee is responsible for completing this Report and sending this information to the Department, but only for projects that involve construction activities and Davis Bacon compliance is required.

In addition, the grantee must also ensure that any previous monitoring findings have been cleared and any other additional information that has been requested for the project has been received (i.e. copies of final plans for planning projects, any necessary documentation required for ED projects, etc. if required).

CERTIFICATE OF COMPLETION

After the above mentioned items have been submitted to the Department and reviewed by staff, a Certificate of Completion letter will be issued to the grantee when the following criteria have been met:

- CDBG grant funds have been expended in full;
- All grant requirements, including all Final reports, required documentation, and monitoring has been reviewed and finalized; and
- The grantee has resolved any outstanding audit issues.

The Certificate of Completion letter that is received by the grantee will specify any follow-up actions that are required by state or federal regulations, however, the Certificate of Completion letter constitutes satisfactory completion of all grant requirements for the project.

FILE RETENTION

Grantees must maintain CDBG grant records for a period of 10 years after the issuance of the Certificate of Completion. See Chapter 2 for further information concerning Recordkeeping requirements.