

Date	Description of Change	Section

# CHAPTER 16 –CLOSEOUT

## PROJECT CLOSEOUT

Closeout is the process by which DED determines that all requirements identified in the subrecipient agreement meet satisfactory completion. Once all project activities accomplishments are complete and all funds drawn down, the closeout process begins. While the project may be complete and “closed out” at the local-level prior to this undertaking, the grant closeout process is completed upon the following being cleared by DED: performance and compliance monitoring; final reports; and any other documentation requiring submission.

To ensure timeliness, closeout should occur on, around, or prior to the CDBG Subrecipient Agreement end date, or, if applicable, as amended. DED’s closeout process may either be initiated by DED or at the subrecipient’s request. DED’s initiation of the closeout process occurs near the subrecipient agreement end date, upon receipt of a final drawdown request, or upon payment of all CDBG funds for the project, whichever occurs sooner.

The closeout process includes submission of the following documentation to DED:

- Final Semi-Annual Project Status Report (PSR)
- Final Financial Report
- Final Wage Compliance Report (if applicable)
- Final Product (if applicable)
- Final Job Creation/Retention Report (if applicable)
- Other documents applicable in order to complete closeout, including but not limited to:
  - 2<sup>nd</sup> Public Hearing documentation, (public notice and meeting minutes)
  - Affirmatively Furthering Fair Housing (AFFH) activity documentation,
  - Complete source documentation<sup>1</sup>,
  - Limited English Proficiency (LEP) documentation of efforts to meet any requests
  - Monitoring corrective actions and/or action plans (if applicable)
  - Leveraged funds documentation (if applicable), etc.

DED reviews and accepts the submitted documentation or requests additional documentation from the subrecipient.

## FINAL PROJECT STATUS REPORT

Through DED’s grant management system (AmpliFund) submit the Final Project Status Report (PSR) upon completion of all CDBG activities for the project. On the report, the subrecipient indicates the “Final Report” box and identifies the cumulative beneficiary type and beneficiary accomplishments that were completed during the final project reporting period. The subrecipient is responsible for:

- identifying the CDBG National Objective(s) met
- identifying the beneficiary information resulting from project activity completion
- providing the appropriate beneficiary information

<sup>1</sup> Refer to [17-02-Policy-Memo\\_CDBG-Drawdown-Source-Documentation.pdf \(nebraska.gov\)](#).

- Minority Business Enterprises/Women owned business enterprises (MBE/WBE)
- Section 3 information for applicable projects

## FINAL FINANCIAL REPORT

This report provides information on the final cost amounts for each of the CDBG activities stated in the sources and uses section of the subrecipient's agreement and associated amendments, if applicable. This information generally includes total activity costs paid, any CDBG program income expended during the project, and any local match expenditures. DED's financial staff and the Program Representative reviews this information for accuracy, and if the review identifies errors in the reported information, the DED Representative will work with the subrecipient and the Certified Administrator in revising and finalizing the report.

## FINAL WAGE COMPLIANCE REPORT

For projects that involve Davis-Bacon and Related Acts (DBRA), which includes most projects involving construction, complete and submit the Final Wage Compliance Report. The report identifies if restitution was paid due to the employees being paid less than the required Wage Determination Rate identified for the project.

## FINAL PRODUCT

For planning only projects, submit to DED the final planning product as approved by the local unit of government. The final planning product is the culmination of the planning process as carried out under the CDBG-funded project. The final product should be uploaded as a PDF within the grant management system. This document is reviewed and compared to the scope of work as provided within the professional services contract for planning activities prior to processing the last payment request for the planning activity.

## FINAL JOB CREATION/RETENTION REPORT

This report provides information regarding the final number of jobs created/retained for the project through the Economic Development (ED) or Tourism Development (TD) opportunity categories.

## PUBLIC HEARING

The subrecipient must conduct **two** public hearings according to their Citizen Participation Plan<sup>2</sup>. The subrecipient holds the **first** prior to submission of the related CDBG application and the **second** during the project's implementation.

The hearings inform the public of the project's status and the impact on the community. The purpose is to obtain residents' views and respond to questions. Together the hearings must cover community development and housing needs (including any analysis and efforts to affirmatively furthering fair housing), development of proposed activities, and a review of program and/or performance of project activities as implemented. The subrecipient submits a copy of the second public hearing notice and public hearing minutes, including any public comments to DED.

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<sup>2</sup> Section 104(a)(2) of the Housing and Community Development Act and by regulations at 24 CFR 570.486(a)

## **FAIR HOUSING ACTIONS**

Submit documentation demonstrating the actions that were taken to affirmatively further fair housing during the grant. Documentation includes the fair housing event or action purpose/title, dates event or action held or time period, list organization participating, and attendance numbers.

## **LIMITED ENGLISH PROFICIENCY (LEP)**

Submit documentation demonstrating the LEP services provided by subrecipient during the CDBG project, including any requests by LEP persons for such services. If a Language Assistance Plan (LAP) was adopted and implemented, provide summary response identifying the services and vital documents provided LEP persons in regard to carrying out the project activities.

## **LEVERAGED FUNDS STATEMENT**

Submit a statement identifying funds leveraged for the project. List activities and amounts by funding sources. If the leveraged funds are not for the CDBG funded project activity, provide documentation that supports benefit to persons served by the CDBG funded project activity, plus a project service area map with locations CDBG funded project activity and leverage funded activity. Refer to the subrecipient agreement and associated application to determine if this applies.

## **COMPLIANCE MONITORING**

Subrecipients must also ensure clearance of any previous monitoring findings and, if required, any other additional information requested has been received (e.g., copies of final plans for planning projects, any necessary documentation for corrective actions, action plans, etc.).

## **CERTIFICATION OF COMPLETION**

After the closeout documents have been submitted to and accepted by DED, a Certificate of Completion letter will be issued to the subrecipient when the following criteria has been completed:

- CDBG grant funds have been expended in full.
- Performance and compliance monitoring and outstanding audit issues have been resolved.
- All grant requirements, including all final reports, and required documentation accepted by DED .

The Certificate of Completion letter constitutes completion of all grant requirements for the project. This letter also specifies any follow-up actions allowable by state or federal regulations.

## **CONTINUED USE**

All community facilities assisted with CDBG funds must remain in the same use for five (5) years after grant closeout. For more information see 24 CFR 570.489.

## FILE RETENTION

Financial records, supporting documents, statistical records and all other records pertinent to a grant will be retained for a period of (10) *ten years* after closeout (certificate of Completion) of the grant. The ten-year rule is *not* applicable if:

- Any litigation, claim or audit is started before the expiration of the ten-year period, the records will be retained until all litigations, claims, or audit findings involving the records have been resolved.
- Records for nonexpendable property acquired with CDBG funds will be retained for four years after its final disposition. Refer to Chapter 12 - Financial/Change in Use of Property
- When records are transferred or maintained by DED. DED may request the transfer of certain records to its custody or to HUD when it determines that the records possess long-term retention value.

Representatives of HUD, the Inspector General, the General Accounting Office, the Comptroller General of the United States, the State Auditor's Office, and DED or any of their duly authorized representatives will have access to any pertinent books, records, accounts, documents, papers, and other property belonging to or in use by the subrecipient in order to make audits, examinations, excerpts, or transcripts.