

Memorandum

CDBG Policy Guidance

Date: July, 2013 Update

Policy: 13-01

Nebraska Department of Economic Development, 301 Centennial Mall South, Lincoln, NE 68509
<http://www.neded.org/>

Subject: CDBG Financial management policy change

Resource: *Federal Register* vol. 67, no. 91--Department of the Treasury Fiscal Services 31 CFR 205; 24 CFR 85.21; 31 CFR 370; Nebraska Department of Economic Development 2013 CDBG Administration Manual, Chapter 2 & Chapter 12

The following updates affect all CDBG awarded projects. Special note should be taken in the way Local Units of Government account for CDBG awarded funds; received and disbursed. This CDBG Financial Management Policy changes the maximum amount and length of time that CDBG funds may be on hand.

Policy in regard to cash management has changed from: If more than \$5,000 is on hand for over ten working days, the local government must return the excess amount to the Department. Policy in regard to cash management has changed to: If more than \$1,000 is on hand for over 5 (five) business* days, the local government must return the excess amount to the Department.

*[Business day is defined as a day when Federal Reserve Banks are open]

This policy memorandum updates the Community Development Block Grant Program and becomes effective immediately unless otherwise stated. The program documents located on the Nebraska Department of Economic Development website have the most up to date policies of the CDBG program.