

CHAPTER 12
GRANT CLOSEOUT

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The grant closeout is the process by which the Office of Community Renewal (OCR) determines that all applicable administrative actions and all work required by the Recipient and all requirements of the grant agreement between the Housing Trust Fund Corporation (HTFC) and the Recipient have been completed in accordance with the terms and conditions of the grant agreement.

Recipients are responsible for the orderly and timely closeout of any subcontracts they may have in connection with the grant, and the financial settlement of subcontractor claims. Subcontractor(s) should be advised to prepare their claims or invoices and submit them directly to the Recipient within 30 days of the completion of the project. Charges should be itemized in the same detail and manner as required of the Recipient by OCR since these subcontract costs will be included in the Recipient's final financial reports submitted to OCR. It is suggested that Recipients require that all subcontractors submit closeout data, final reports and final claims in time for the Recipient to prepare for the closeout process.

I. GRANT CLOSEOUT PROCESS

As is the case with all documentation required for implementing the NYS CDBG program, the grant closeout documents are very important and accuracy must be ensured in the completion of documents.

The Grant Closeout Transmittal Form will be issued by the Office of Community Renewal when all of the following have occurred:

- The project has been monitored and any outstanding monitoring findings or concerns have been resolved;
- A FINAL Request for Funds has been submitted;
- A FINAL Annual Performance Report has been submitted and approved and all accomplishments have been reported; and
- Any outstanding single audit findings or concerns have been resolved.

Recipients who must comply with A-200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal awards (Refer to Chapter 3 – Financial Management), must submit the audit to its Community/Economic Developer. If the audit contains findings the Recipient must submit a written response to the findings and a corrective plan of action.

The Grant Closeout Transmittal Form will be transmitted to the Recipient CEO and Local Grant Contact electronically. The Recipient will be asked to verify that the information contained in the Transmittal Form is correct and to complete the Real Property Register form, as applicable.

The packet must be returned to OCR by mail within 30 days of receipt. The closeout packet includes:

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- Grant Closeout Transmittal Form;
- Schedule B;
- Real Property Register.

The entire form with original signatures must be retained in the Recipient's project files and a copy should be scanned and sent electronically to OCR either to the Community/Economic Developer who originally sent the closeout packet or to ocrinfo@nyshcr.org.

If a Grant Closeout Transmittal packet is received by the OCR but cannot be approved, the Recipient's assigned Community/Economic Developer will contact the Recipient with further instructions.

Following OCR review and approval of the Grant Closeout Transmittal packet, a Certificate of Completion will be issued.

II. PROGRAM INCOME RECEIVED AFTER CLOSEOUT

All program income received subsequent to program closeout must be returned to the HTFC as follows:

- For all receipts legally designated for local RLF's, the funds should be returned immediately upon receipt to the HTFC.
- For all other receipts from CDBG activities, the funds may be accumulated in a separate local account, may not be disbursed for activities, and must be returned to the HTFC at the end of the State fiscal year (for the New York State Program, the state fiscal year of April 1 – March 31), along with a Program Income Report.
 - If the total amount of receipts by the local recipient exceeds \$35,000 during the year, all funds received, including the initial \$35,000, are considered program income and must be returned annually with the Program Income Report.
 - If the total receipts by a local recipient during the State's fiscal year do not exceed \$35,000, then those funds are considered miscellaneous revenue and may be retained by the local recipients and moved to its general account only at the end of a fiscal year after the total annual receipts are determined and approved in writing by OCR. Miscellaneous revenue is not subject to CDBG requirements.
 - Note that revolving loan fund income is not included in the total gross income calculation when determining the annual amount of program income.