



Closeout: Will You Be Ready?

2018 CDBG-DR Problem Solving Clinic

Atlanta, GA | December 12-14, 2018

Welcome & Speakers

- Session Objectives
 - Provide guidance on how to prepare for closeout and where to find further guidance
 - When CDBG-DR grants are ready for closeout and why it is important
- Speaker
 - Kevin O'Neill, HUD
 - Adriane Burgess, HUD



DR Grant Closeout Overview

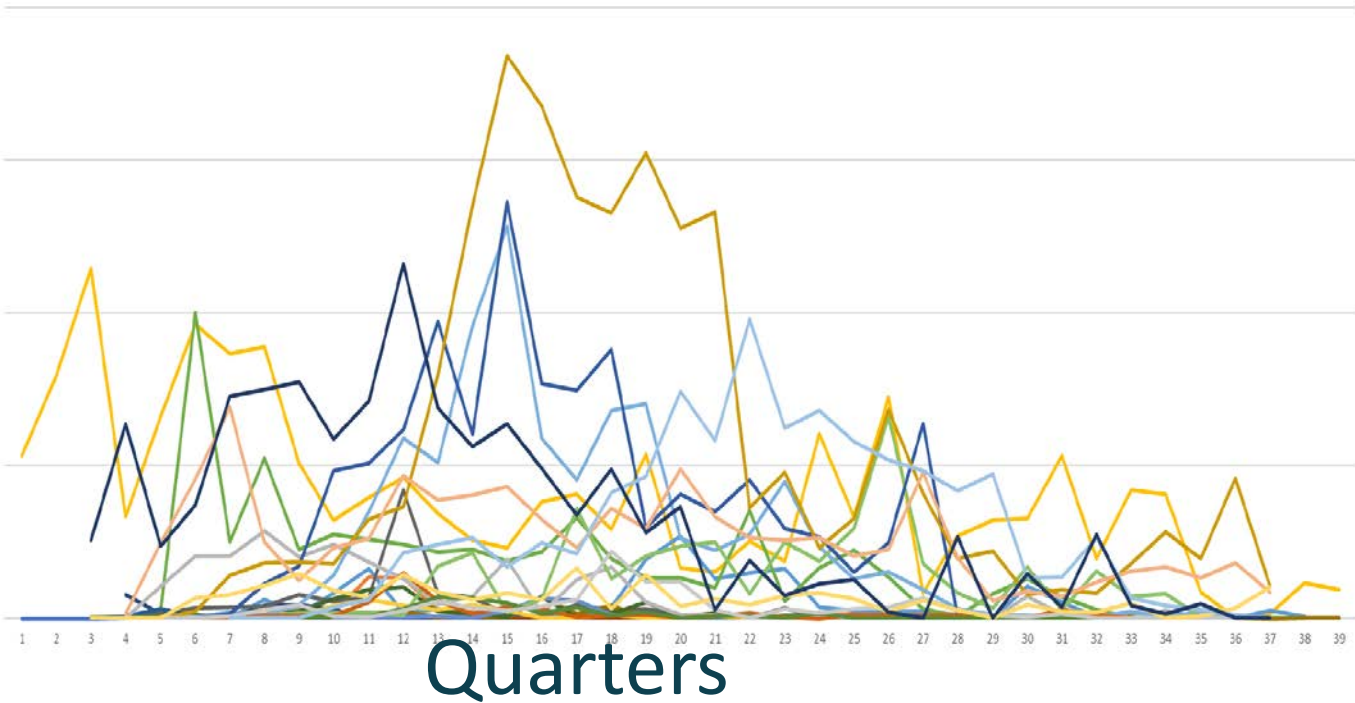


DR Grant Closeout...Today's Discussion

- Grant Closeout Trends
- Assessment – Is grant ready to close?
- What can you do to prepare?



2008 IKE & MWF Quarterly Spending



Quarters

Each Line is a Grant
Omitted 4 largest grants



What's the Big Deal? Why push for closeout after 8 years?

- Extending administration of a grant beyond 8 years is often inefficient
- Finding eligible activities (Tie-Back) is increasingly difficult
- Congress starts questioning the need for funding
- Institutional memory is lost due to increased staff turn-over



Grant Closeout Requirements

- All Federal Grants: 2 CFR 200 Subpart F
- HUD Grants: 24 CFR 570.509
- CPD Grants: CPD Closeout Notice 14-02
- DRSI: 2018 Closeout Guidance



Assessing the DR Grant

- What makes a DR Grant appear to be: Ready for Closeout Consideration?
 - Financial Status of Grant
 - Grant is at least 90% drawn, and/or
 - Grantee hasn't drawn funds "in a while"
 - Status of Activities
 - Most Activities have a status of "Complete"
 - Performance of Grant
 - Grantee has reported significant Actual Accomplishments in most activities



DRSI Assumptions

- Grant has been monitored.
- Grantee has “finished” recovery under this grant.
- DRGR Action Plan/QPR are in good condition.
 - Activities are properly categorized (Type & Status)
 - National Objectives are correct/supported
 - All financial “caps” and “goals” have been met
 - Accomplishments have been properly reported
 - Grantee expenditures are fully reported



DRSI Assumptions (continued)

- All Financial transactions are complete
 - Grantee does not intend to draw any more
 - All drawn funds have been expended by grantee
(It's ok if some grant funds are repaid or left behind)
- No outstanding audit issues/corrective actions
 - HUD Audits
 - OIG Audits
 - Single Audits



What can you do to prepare?

- Communicate with CPD Rep/Specialist
 - Let them know when you are approaching “the beginning of the end”!
- Report data on programs as they close
 - Report Actual Accomplishments
 - Update Activity Status
 - Manage Remaining balances of funds (if possible)
- Check DRGR Data
 - Run the Closeout Reports and check your data



Key Points to Continue Progression towards Closeout

- Conduct early monitorings with subrecipients
- Provide additional Technical Assistance (TA) for subrecipients when...
 - Issues/concerns are identified
 - Delays in progression of construction of an activity/project
 - Significant/extended reduction in overall expenditures
- Assess overall expenditures by project/activity, program and grant
- Review and organize applicant/beneficiary files (checklists)



Key Points to Continue Progression towards Closeout (continued)

- Review DRGR Reports and Flags (compare with your QPRs)
- Communicate with your subrecipients/partners to stay updated on real-time status of programs and projects
 - Communicate with HUD regarding any foreseen/unforeseen issues
- Review expenditure deadlines early to determine if time extension is needed
- Review HUD, HUD OIG and Single audit Findings and/or Concerns
- Maintain persistence in overall progression towards completion of projects/activities and programs which will lead to a timely closeout



What happens after closeout?

Be sure you have planned for:

- Compliance Oversight after closeout
 - Who will do it?
 - How will oversight efforts be funded?
 - What happens if ineligible costs are found later on?
- Program Income generated after closeout
 - Where will it go?
 - Be sure it is only used for eligible expenditures
- Record Retention Begins!
 - The date of the Closeout Agreement from HUD marks the beginning of the Record Retention – inform any subrecipients and/or partners



Questions

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