

CDBG CV3



Contract

- How to resolve Conditions?
 - Refer to the condition letter that you received.
 - If conditions are listed, they must be resolved and submitted with the contract.
 - Note: A cover letter signed by Mayor/Chairman must accompany any documents that resolve conditions
 - All of these conditions are part of the contract with the State of Kansas

Due on or Before August 30, 2021

Important Dates

- Execution of state contract
 - This is only an award until signed contracts are submitted to the state.
 - Due on or before August 30, 2021
- Contract Start and End Dates
 - August 1, 2021, to July 31, 2022
- Project implementation
 - On or before September 30, 2021
- 50% of Funds Drawn
 - On or before October 30, 2021



Certification on Lobbying

No federal funds will be used to influence an officer or employee of any agency, a Member of Congress
– ANYBODY

Citizen Participation

- ▶ Things that can be provided to the public upon request
 - Application and all grant records on the project and actual use of funds
- ▶ Maintained at Grantee's office for public review during normal working hours
- ▶ Few exceptions:
 - Business Applications
 - Business Data (Invoices, Receipts, Bank Statements)
 - Employee Income data

Code of Conduct

▶ Each Grantee must have a written Code of Conduct

- Must prohibit elected officials, staff or agents from personally benefitting from CDBG procurements
- Must prohibit solicitation or acceptance of favors or gratuities from contractors or potential contractors.
- Must prohibit sanctions or penalties for violations of this code by either city/county officials, staff, agents or by contractors or their agents.

Conflict of Interest

► Applies to the following receiving CDBG

- Employees
- Elected Officials
- Appointed Officials
- Agent
- Officers
- Consultants
- Immediate family
- Business Partners



Conflict of Interest

▶ Waivers can be granted

- Make public disclosure
- Hold Public Hearing
- Submit official minutes
- Attorney Opinion Letter

▶ No Waivers For Governing Body And Chief Elected Officials

Procurement

- ▶ Must have written local policy that covers these four categories.
 - Small Purchases
 - Competitive Bidding
 - Competitive Negotiations
 - Non-competitive Negotiations

- ▶ Can not mention CDBG

Environmental

- ▶ Each business awarded must have a Determination of Level of Review
 - Categorical Exclusion NOT Subject to §58.5 authorities per 24 CFR 58.35(b)(4)
- ▶ Must included in Project Description:
 - Name of Company
 - Amount Awarded
 - Number of Jobs retained
 - Intent of funds

Financial Management

- ▶ ASK QUESTIONS!
- ▶ DOCUMENT EVERYTHING!
- ▶ Record keeping Requirements
 - Determines funds expended are in compliance
 - HUD 2 CFR 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards

Accounting Procedures

- ▶ Ensure internal control
- ▶ Create an audit trail
- ▶ General ledger
- ▶ Must have local ledger for Request of Payment (RFP) and Quarterly Reports

General Ledger

- ▶ City/county must keep an updated ledger

- ▶ Must show CDBG and local cash in and out with dates and amounts separately

- ▶ Cash In and Out
 - Date of payment
 - Payee
 - Check #
 - Amount of check

Authorized Signature Form

- ▶ Signatures on RFP must match
- ▶ Only the top four signatures can sign RFP's
- ▶ Only employees of grantee
- ▶ Requires at least 2 but recommend more
- ▶ Chief Elected Official must sign as the Certifying Official
- ▶ Submitted with contract

ACH Forms

- ▶ Direct Deposit forms/ACH
 - Completed by Grantee
 - Include copy of voided check
 - Make sure account numbers match

- ▶ Submitted with Contract

Request for Payment

- ▶ Cash Disbursement Report is a rolling page that tracks the ongoing progress
- ▶ Each Business Awarded must have the following:
 - Determination of Level of Review
 - Each expense must be documented with an invoice and proof of payment (matching bank statement, receipt, or copy of check).
- ▶ Grantee has 3 Business days to expended funds from the account.
 - Keep Record of the Checks for tracking

No increases in awards to companies after initial award

Administration Draw

- ▶ 25% after receipt of the grantee's signed state grant agreement
- ▶ 50% percent after first drawdown of funds
- ▶ 75% percent after 50% has been drawn
- ▶ 90% Until Closeout
- ▶ 10% at close-out or \$2,000 if no admin

Quarterly Reports

- ▶ Due within 10 days following the end of that quarter.
 - Jan 10th
 - April 10th
 - July 10th
 - October 10th
- ▶ Provide detailed descriptions under accomplishments, planned activities, and TA/Other Concerns.
- ▶ Payment Request will not be processed if updated QPR is not on file

Fair Housing

- ▶ A major obligation of awarded grantees in all CDBG categories is the documentation of activities that affirmatively further fair housing within the communities. One activity must be conducted and documented each calendar year of an open CDBG project

Closeout

- ▶ Within 90 days of project completion or contract end date (Which ever is sooner)
- ▶ Retain records for 3 years after HUD closes out that year with the State. This could be 10 years or more after your project ends.



Reminder

Eligible Activity: Economic Development

- National Objective: 51% of retained employees must meet LMI (per company).
 - Each company awarded will provide documentation to satisfy this requirement.
 - Working Capital since March 1, 2020
 - Payroll
 - Inventory
 - Non-City owned utilities
 - Each expense must be documented with an invoice and proof of payment (matching bank statement, receipt, or copy of check).



Eligible Activity: Economic Development (cont.)

- 1-5 Employees - \$25,000 per job retained
 - Maximum Grant of \$30,000 per company
- 6-50 Employees - \$35,000 per job retained
 - Maximum Grant of \$50,000 per company



What Needs to be on File for the Business?

- ▶ Application
- ▶ Determination of Level of Review
- ▶ Employee Certification Form for each employee being retained.
- ▶ Document that the business meet the 51% LMI requirement
- ▶ Signed Duplication of Benefits Form
- ▶ Documented Each expense with an invoice and proof of payment (matching bank statement, receipt, or copy of check).
- ▶ DUNS Number



Contact Us

Linda Hunsicker

CDBG Project Manager

Linda.Hunsicker@ks.gov

Phone: 785-215-4484

Ginny Eardley

CDBG Project Manager

Ginny.M.Eardley@ks.gov

Phone: 785-296-3610

Dustin Gale

CDBG Project Manager

Dustin.Gale@ks.gov

Phone: 785-296-4100