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**Program
Closeout**

Program Closeout

At last all project activities on your grant are finished! With only a few loose ends left to tie up, it is time to closeout your grant.

The closing out of your grant begins with receipt of a closeout package from the Agency staff. You will receive this package either because:

- 1) You call or write the Agency to tell them you are ready to close; or
- 2) The Agency staff sends closeout package, particularly if your grant is within 30-45 days of the completion date in your grant agreement.

No matter who initiates the process, your first step toward closeout should be to review your Grant Administrator's checklist for completion. If there are outstanding activities they should be completed, including:

- 1) Ensuring that all obligations of funds (except for closeout costs) will be liquidated within 30 days after the Completion Date.
- 2) Checking grant files for inclusion of all records pertinent to the grant.
- 3) Arranging for remaining independent financial and compliance audit(s). More details on audit procedures appear in Chapter 13.

A Certificate of Program Completion will only be issued to you when the Agency determines that all required work under the Grant Agreement has been satisfactorily completed, including the submission of all reports and audits.

The following checklist will help you to double check the grant administration work you have been doing throughout the project:

Financial Activities

- a) If necessary, make final drawdown request.
- b) Close books.
- c) If any funds remain that are unexpended and unobligated, contact the Agency to arrange for their disposition.
- d) Using procurement methods set forth in the Agency Procedures, arrange the required audit services of the grant. One copy of the completed audit is to be sent to the Department. Resolve all audit findings. (See **Agency Procedures, Chapter 21, Audit Requirements**)

Completed []
N/A []

Completed []

Completed []
N/A []

Completed []
In Progress []

Program Related Activities

- a) Arrange for the legislative body of the municipality to advertise the final public hearing a minimum of **15 days prior to holding the hearing. The advertisement for the public hearing should also be at least 15 days prior to the Completion Date of the Grant Agreement.** Include a copy of the public hearing notice, as it appears in the newspaper, with the Program Report. A sample Public Hearing Notice appears on the following page.
- b) Hold your final public hearing. Give a brief description of the degree of citizen participation in the grant program. Describe the process by which citizens were informed of the availability of Vermont Community Development Program funds, the range of eligible activities, and the use of these funds proposed by the application. Include a copy of the hearing minutes with the Program Report.
- c) Prepare Final Report Narrative. Indicate, in sufficient detail, what the program accomplished compared to what is called for in Attachment (B), Project Description, of the Grant Agreement.
- d) State how the program met National and State program objectives.
- e) Indicate that all Certifications and Assurances listed in Attachment E of the Grant Agreement have been complied with.
- f) Indicate any benefits not anticipated in the grant application which have resulted from grant program activities (optional).
- g) Submit Notice of Program Completion (form CO-1) and Final Program Report (Form CO-6) to the Agency no later than 30 days after the Grant Agreement Completion date. (See sample CO-1 and CO-6 forms at end of chapter)

Completed []

Completed []
N/A []

Completed []

Indicate actions taken to correct all major adverse findings resulting from either your own or Agency monitoring activities. All such findings must be resolved prior to closing out the grant. This section should include the assurance that all monitoring functions required of you have been carried out.

Completed []
N/A []

Actions taken to deal with adverse comments/problems from other sources including the general public (indicate type of problem). Resolve all major adverse comments.

Completed []
N/A []

Develop a list of equipment and furniture valued at or above \$5,000 per unit acquired with grant funds. For disposition of such equipment and furniture contact the Agency.

Completed []
N/A []

Develop a list of real property acquired with grant funds. For disposition of such real property contact the Agency.

Completed []
N/A []

Include comments related to the State's or Grantee's activities under the Vermont Community Development Program, items that you think should be changed, added, deleted, etc., or whatever comments you would like to make related to the program (optional).

Completed []
N/A []

- **Send to the Agency a copy of any report or study funded in whole or in part with VCDP grant funds, and in addition any conclusions that resulted from the activities funded under this grant.**
- If applicable, you must prepare and submit a proposed Closeout Agreement to deal with Program Income resulting from the use of VCDP grant funds.

Completed []
N/A []

Completed []
N/A []

Record Retention Checklist

The purpose of the checklist is to aid you in properly closing out your grant and ensuring that appropriate documentation under the Vermont Community Development Program is in place as required. (All citations are from the Grant Agreement unless otherwise noted.)

- 1) Do your files/records support conformance with the Grant Agreement, Agency Procedures, and applicable federal and state statutes? (If no, explain.)
- 2) Have all the Special Conditions (Attachment A) of the Grant Agreement been met?
- 3) To the extent that they are applicable, are the following documented?
 - a) That copies of all third party contracts supported by VCDP grant funds were supplied to the Agency as agreed. [Section VII. **Obligations of Grantee (B)**]

Yes [] No []

Yes [] No []

Yes [] No []
N/A []

- | | |
|--|--|
| <p>b) That all Other Resources committed to this Grant Agreement were received and expended as set forth in the Grant Agreement. [Section V. Compensation (B)]</p> | <p>Yes [<input type="checkbox"/>] No [<input type="checkbox"/>]
N/A [<input type="checkbox"/>]</p> |
| <p>c) That all other Special Conditions set forth in the Grant Agreement have been met.</p> | <p>Yes [<input type="checkbox"/>] No [<input type="checkbox"/>]
N/A [<input type="checkbox"/>]</p> |
| <p>4) Are citizen information files complete? [Certifications and Assurances; Attachment E, Parts (3)-(6)]</p> | <p>Yes [<input type="checkbox"/>] No [<input type="checkbox"/>]
N/A [<input type="checkbox"/>]</p> |
| <p>5) Does the Environmental Review file contain documentation that the proper procedures related to environmental issues were observed? [Attachment E, Environmental and Historic* (14)- (17)]</p> <p>*Attach a copy of the Sign-off from the Historic Preservationist or the archeologist stating project was completed in accordance with the Secretary of Interior Standards as set forth in the Memorandum of Agreement (MOA) or Conditional No Adverse Effect letter.</p> | <p>Yes [<input type="checkbox"/>] No [<input type="checkbox"/>]</p> |
| <p>6) Are Personnel records complete for Grantee’s personnel? Records should include one or more of the following:</p> | |
| <p>a) Written Personnel Policies and Procedures which reference Equal Employment Opportunity standards.</p> | <p>Yes [<input type="checkbox"/>] No [<input type="checkbox"/>]</p> |
| <p>b) Personnel recruitment records.</p> | <p>Yes [<input type="checkbox"/>] No [<input type="checkbox"/>]
N/A [<input type="checkbox"/>]</p> |
| <p>c) Time sheets which distinguish between grant supported and non grant-supported activities.</p> | <p>Yes [<input type="checkbox"/>] No [<input type="checkbox"/>]
N/A [<input type="checkbox"/>]</p> |
| <p>7) Does documentation exist that all the requirements related to the elimination of conflicts of interest have been met? [Grant Agreement XV. Conflict of Interest]</p> | <p>Yes [<input type="checkbox"/>] No [<input type="checkbox"/>]
N/A [<input type="checkbox"/>]</p> |
| <p>8) Do records document that procurement policies allowed for "free and open competition?"</p> | <p>Yes [<input type="checkbox"/>] No [<input type="checkbox"/>]
N/A [<input type="checkbox"/>]</p> |
| <p>9) To the extent that they apply to this program, procurement documents include one or more of the following:</p> | |

Adopted Municipal Policies and Codes

- Drug-Free Workplace Policy
- Equal Employment Opportunity Policy
- Fair Housing Policy
- Use of Excessive Force Policy (related to Non-Violent Civil Rights demonstrations)
- Policy on the use of funds for Federal Lobbying (Prohibition against)
- Code of Ethics for Administration of Vermont Community Development Program

b) Equal opportunity advertisements

c) Considerations given to minority and women-owned businesses

d) Requests for Proposals

e) Proposal specifications

f) Tabulation of Proposals

g) Evidence of acceptance of the lowest responsible proposal/bid

10) Were procedures instituted to monitor project contracts?

11) Is there documentation that Requisitions of Grant Funds and Financial Reports were made following accounting and record keeping requirements in the Grant Agreement? [XI. Requisition of VCDP Funds (A) - (E)]

Yes [] No []
N/A []
(Previously Adopted)

Yes [] No []
N/A []

Yes [] No []
N/A []

Yes [] No []
N/A []

Yes [] No []
N/A []

Yes [] No []
N/A []

Yes [] No []
N/A []

Yes [] No []
N/A []

Yes [] No []

12) Does the financial management and accounting system meet with standards set forth in the Grant Agreement? [X. Financial Management, (A) and (B)]

Yes [] No []

Accounting records should include documentation of the following:

a) That the record keeping and accounting systems have been consistent, thereby providing an audit trail.

Yes [] No []

b) That financial records were posted up-to-date and reconciled on a regular basis.

Yes [] No []

c) That all transactions are supported by source documents and that financial files correlate with the accounting records.

Yes [] No []

13) Do the Labor Standards Files contain complete documentation of compliance as required in the Grant Agreement?

Yes [] No []
N/A []

14) Do the civil rights files contain the following to document the compliance required by the Certifications and Assurances of the Grant Agreement?

a) Documentation that personnel and procurement procedures are not discriminatory, except as allowed to meet the objectives related to Section 3 of the Housing and Urban Development Act concerning training and employment for project area residents and contractors.

Yes [] No []
N/A []

b) Documentation that the Community Development Program has been designed and implemented so as not to discriminate or deny access to benefits on account of race, color, religious creed, ancestry, national origin, sex, familial status, handicap, or age.

Yes [] No []

c) Documentation that all contracts entered into under this program contain required statutory references, and that records demonstrate the monitoring activities aimed at assuring the protection of civil rights.

Yes [] No []
N/A []

d) Documentation of efforts to deal with Civil Rights/Equal Employment violations.

Yes [] No []
N/A []

15) Do records document any real property acquisition using VCDP grant funds?

Yes [] No []
N/A []

- 16) Do records document that proper procedures were followed in conformance with federal regulation where displacement of individuals, or businesses occurred due to the expenditure of VCDP grant funds?

Yes [] No []
N/A []

Early Closeout

You may submit a request for an “early closeout” if you have:

- 1) Met all the requirements of the Grant Agreement, including Attachment B, Description of Activities; Project Description; and “benefit” (National Objective).
 - a) For Job Creation/Retention Projects the number of jobs committed in the Grant Agreement has been met, and **maintained for no less than 6 months**;
 - b) For Housing Projects the number of units committed in the Grant Agreement has been met, and **are fully occupied with the proposed number of people**.
- 2) Spent all the funds necessary for the project (exclusive of Closeout costs).
- 3) Informed the Agency
- 4) Advertised and held the final public hearing and sent copies of the meeting notice and minutes to the Agency.

Upon receipt of the public hearing notice and minutes, the Agency will send you a closeout letter and closeout materials. At this point you may proceed as you would for any Grant Closeout.

Late Closeout

If it is becoming clear that you will be unable to complete all commitments of your grant by the agreed upon completion date, or you will need more time to complete closeout activities, contact your CD Specialist for assistance **immediately**.

INSTRUCTIONS FOR FINAL PROGRAM REPORT

1. Some of the information and columns will already be completed for you in the computer generated final program report that is sent to you. If you use the excel final program report workbook from the website you will need to enter in the information. These instructions and examples below reference the excel workbook.
2. The Final Program Report is for the entire grant period from the date of Grant Award through the Completion Date. Be certain to report all information for this period.
3. Whenever you are reporting dollar amounts, round the figure to the nearest dollar. **Do not report the cents.**

I. BUDGET EXPENDITURE SECTION

Complete the information requested across the top of the page. Then complete the columns. Please note that the Date Submitted is the date that the Final Program Report is mailed to the Agency.

- Column 1 **VCDP Code**: List the codes from the computer generated final program report that is sent to you. They also can be found in Attachment B of your Grant Agreement.
- Column 2 **Activity**: List the activities from the computer generated final program report that is sent to you. They also can be found in Attachment B of your Grant Agreement.
- Column 3 **Original VCDP Funds Budget**: : List the original VCDP funds budgeted from the computer generated final program report that is sent to you. The amounts can also be found in Attachment B of your Grant Agreement.
- Column 4 **Amended VCDP Funds Budget**: If the VCDP Funds Budget has been amended, these amounts will be listed on the computer generated final program report that is sent to you. The changes also can be found in the Amended Attachment B of your Grant Agreement.
- Column 5 **Other Resources Budget**: List the other resources budgeted from the computer generated final program report that is sent to you. The amounts can also be found in Attachment B of your Grant Agreement.
- Column 6 **Amended Other Resources**: If applicable, list the amended amount of other resources for the grant period.
- Column 7 **VCDP Funds To Date**: List the amount of VCDP Funds expended (exclude obligations) since the Award Date through the Completion Date. (See definition of obligations below.)
- Column 8 **Other Resources**: List the amount of Other Resources expended (exclude obligations) through the Completion Date.
- Column 9 **Total Through the Completion Date**: Add up the amounts in columns 7 and 8 and show the total of VCDP Funds and Other Resources since the Award Date through the Completion Date.
- TOTAL: Fill in the totals for columns 7 through 9.

Definition of Obligation - a current commitment to pay a set amount of money for goods and services to be delivered in the future. No monies are owed yet, no invoices have been received, but grant funds have been obligated, typically through a contract, a loan document, or a purchase order. Once the goods or services have been received or performed, the obligation becomes an expenditure, and

an invoice is received. (Remember, all VCDP funds must be obligated by the Completion Date and expended within 30 days of the Completion Date, except funds used for closeout activities or audit.)

II. PROGRAM INCOME SECTION

Provide the information requested below for the period from the Award Date through Completion Date. If no program income has been received, simply fill in zeros in the line TOTAL PROGRAM INCOME RECEIVED.

A. Breakdown of Program Income Received

3002 H Residential Rehabilitation: If housing rehabilitation is an activity in the grant, list the dollar total of all housing rehabilitation repayments received. Be sure to include both the principal and the interest received as repayments, but there is not need to break out on this report the amount of principal or the amount of interest. Only the total is necessary. In addition, be certain to include any investment income earned on the repayments while deposited in an interest bearing bank account.

4010 ED For Profit Loan: If a loan to a for-profit business is an activity in the grant, list the dollar total of all loan repayments received. Be sure to include both the principal and the interest received as repayments, but there is no need to break out on this report the amount of principal or the amount of interest. Only the total is necessary. In addition, be certain to include any investment income earned on the repayments while deposited in an interest bearing bank account.

Other (list by VCDP code): If any other activity in the grant generates Program Income, list the activity by the VCDP code as shown in the Grant Agreement and list the dollar total for each activity. Be certain to include any investment income earned on the Program Income while deposited in an interest bearing bank account.

TOTAL PROGRAM INCOME RECEIVED: Add up the amounts for each source of Program Income and enter the totals (through the Completion Date) on this line.

Program Income In Program Income Account: List the amount of Program Income on hand in the program income bank account. If this amount does not agree with the total Program Income amount listed above, the reason(s) for the discrepancy must be given. (If there is not enough space here to provide the explanation, include the explanation in the narrative portion (IV. PROGRAM PERFORMANCE SECTION) of the final Program Report.

III. LUMP SUM AGREEMENT SECTION

The lump sum method of draw down of VCDP funds applies only to housing rehabilitation revolving loan funds. (See 24 CFR § 570.513) There are very specific requirements that need to be met which include, but are not limited to the rate of expenditure and a formal written agreement with a financial institution.

A) Rate of expenditure

- 1) First loan must be made within 45 days of the initial deposit;
- 2) 25% of the lump-sum drawdown plus interest earned must be expended within 180 days of the initial deposit; and
- 3) No more than two years to expend all the lump-sum drawdown.

B) Agreement with financial institution

- 1) Interest must be paid on the lump-sum funds, at a rate no more than 3 points below the one-year Treasury obligations.

- 2) Financial institution must provide one of the following:
 - a) commit private funds for loans in excess of the lump-sum deposit amount;
 - b) commit private funds for loans at below market rate interest;
 - c) commit private funds for higher risk loans;
 - d) commit private funds for loans with a longer term of repayment; or
 - e) provide loan servicing at no cost or lower than actual cost.

A copy of the agreement with the financial institution must be sent to the Agency and a copy must be maintained with the grantee bank records.

IV. CONTRACTS SECTION

- Column 1 **Contractor/Subcontractor Name and Address:** If not previously reported, list the name and address of each contractor and/or subcontractor with whom your program has entered into a contract exceeding \$10,000 during the Grant period. Do not list any contractors and/or subcontractors who have individual contracts for amounts under \$10,000 that when added together, the total of the contracts exceeds \$10,000. In addition, do not list any contract(s) already reported in a progress report.
- Column 2/3** **Contractor/Subcontractor ID Number:** List the IRS or Social Security number of each applicable contractor/subcontractor.
- Column 4 **Section 3:** Enter “Y” if the contractor/subcontractor is a Section 3 contractor/subcontractor; that is, if it is a business concern that provides economic opportunities to low- and very-low income residents of the county, including a business that is 51 percent or more owned by low- or very-low income residents, employs a substantial number of low- or very low-income residents, or provides subcontracting or business development opportunities to businesses owned by low- or very-low income residents. If not, indicate with an “N”.
- Column 5 **Contract Amount:** Indicate the dollar amount of the contract.
- Column 6 **Davis-Bacon Decision:** Indicate the Davis-Bacon Wage Rate Decision number obtained from the www.gpo.gov/davisbacon website for your construction project.
- Column 7 **Trade Code:** Indicate the contractor's trade or profession code as listed at the bottom of the section. If the appropriate response is "other", use code #3; there is no need to list what the type of trade is.
- Column 8 **Business Ethnic Code:** Enter the appropriate business ethnic code as listed at the bottom of the section.

V. CUMULATIVE BENEFICIARY DATA SECTION

If the grant is a planning grant, do not complete this section.

HUD requires states to submit civil rights data on **applicants** for VCDP funded projects as well as **beneficiaries**. Applicants include, but are not limited to, those who apply for jobs, but are not hired; or homeowners who apply for but do not receive rehab loans.

- Column 1 **VCDP Code:** All applicable activity codes as indicated in Attachment B of the Grant Agreement.

- Column 2 **APPLICANTS:** List per activity (By VCDP Code) the total number of applicants in each of the ethnic categories shown for the period since the award date through the end of this period. Applicants do not have to be reported for the following activities:
- Planning Only
 - Administration, Planning and Management
- Column 3 **Total Applicants:** List per activity (By VCDP Code) the total of the figures reported for each applicant category in column 2.
- Column 4 **Female Head of Household:** List per activity (By VCDP Code) the total number of applicants reported in Column 3 that are female heads of household. The number of persons listed should represent the cumulative number of persons since the award date through the end of this period.
- Column 5 **Handicapped:** List per activity (By VCDP Code) the total number of applicants reported in Column 3 that are handicapped. The number of persons listed should represent the cumulative number of persons since the award date through the end of this period.
- Column 6 **Low/Mod Number of Applicants:** List per activity (By VCDP Code) the total number of applicants by percentage of median income, applying for the activity. The number of persons listed by percentage of LMI should equal the cumulative number of persons benefiting since the award date through the end of this period.
- Column 7 **BENEFICIARIES:** List per activity (By VCDP Code) the total number of beneficiaries in each of the ethnic categories shown for the period since the award date through the end of this period. Beneficiaries do not have to be reported for the following activities:
- Planning Only
 - Administration, Planning and Management
- Column 8 **Total Beneficiaries:** List per activity (By VCDP Code) the total of the figures reported for each beneficiary category in column 5.
- Column 9 **Female Head of Household:** List per activity (By VCDP Code) the total number of beneficiaries reported in Column 7 that are female heads of household. The number of persons listed should represent the cumulative number of persons since the award date through the end of this period.
- Column 10 **Handicapped:** List per activity (By VCDP Code) the total number of beneficiaries reported in Column 7 that are handicapped. The number of persons listed should represent the cumulative number of persons since the award date through the end of this period.
- Column 11 **Low/Mod Number for Beneficiaries:** List per activity (By VCDP Code) the total number of persons by percentage of median income, benefiting from the activity. The number of persons listed by percentage of LMI should equal the cumulative number of persons benefiting since the award date through the end of this period.
- Column 12 **Low/Mod Percent:** Calculate the percentage of persons of low/mod income by dividing the figure reported in Column 11 by the figure reported in column 8.
- Column 13 **Low/Mod Benefit Planned Percent:** This column is based on data as committed in the grant agreement.

VI. PROGRAM PERFORMANCE SECTION

- Column 1 **VCDP Code**: This column is already completed for you.
- Column 2 **Program Area and Activities**: This column is already completed for you.
- Column 3 **Planned Accomplishments**: List the planned accomplishments from the computer generated final program report that is sent to you. This information can also be found in Attachment D of your grant agreement.
- Column 4 **Actual Accomplishments**: List the actual results accomplished for the period since the Award Date through the Completion Date. List results for each indicator measure listed in Column 3 and enter zero (0) where appropriate.
- Column 5 **Percentage Completion**: Indicate the percentage of completion for each performance indicator listed in Column 3 for the period since the award date through the Completion Date of the grant. The percentage is based on actual vs. planned accomplishments. Divide Column 4 by Column 3 to calculate the percent benefit accomplished.
- Section 6 **Final Program Report Narrative**: You will need to prepare a Final Program Report Narrative. In the narrative describe the accomplishments of the program and relate these to the description of activities set out in Attachment B of the Grant Agreement. This is an opportunity to present the achievements of the program in the best possible light, i.e., put your best foot forward. Highlight the successes, unique features, or innovative differences in your program which set it off from similar programs. If benefits occurred that were not anticipated in the grant application, be sure to mention these in the narrative.

In this report there should be a brief description of the degree of citizen participation in the Vermont Community Development Program. Describe the process by which citizens were informed of the availability of the Vermont Community Development Program funds, the range of eligible activities, and the use of the funds proposed in the application.

All adverse public comments must be resolved before your Grant can be closed. If you had such issues arise during the Grant period, you should include a brief discussion of these issues and how they were dealt with.

Additionally, to the extent that the laws and regulations related to Program Administration, Environmental and Historic Preservation, Equal Opportunity in Employment and Program Benefits, Labor Standards, and Other Requirements are applicable to the grant program, the narrative report should briefly document compliance with such requirements. (See Attachment E of the Grant Agreement.)

To the forgoing add any information which will further the readers' knowledge as to what your grant succeeded in achieving. Also, your comments and recommendations on the Vermont Community Development Program are welcomed.

VII. OTHER INFORMATION SECTION

- (A) **Closeout Checklist**: Enclosed to aid you in closing the grant is a checklist discussing financial activities, program activities, and records retention issues. This checklist is to insure that you have taken all required actions under the VCDP to close the grant and to help you put in place all the required documentation related to the grant.

NOTE: Fill out the checklist and return it to the Agency as part of your Final Program Report submission.

- (B) **Proposed Closeout Agreement:** (Contact the Agency for information.)
- (C) **Audit Status:** Identify the auditor hired to conduct the needed remaining audit(s), the type of audits(s) being performed, and the date by which the audit report(s) will be submitted to the Agency. If an auditor has not yet been hired to conduct the remaining audit report(s), then describe what actions have been taken to date to procure an auditor. (There is no need to report on audit reports already submitted to the Agency.)
- (D) **Technical Assistance (received/needed):** Indicate if you wish to receive or have received technical assistance from the VCDP and/or some other source. Please be specific.
- (E) **Certifications by the Chief Executive Officer or Designee:** The Final Program Report must be signed by the official designated to sign the Grant Agreement and other such documents per Form PM-1. If not signed, or if signed by the wrong individual, the report will be returned to the grantee.