

## CHAPTER 7. CLOSEOUT PROCEDURES

- 7-1 GENERAL Since HUD assigns a distinguishable grant project number to each of the ARC funded projects, each completed project may be closed separately irrespective of whether the project was funded under the State, the HUD-Administered, or Entitlement Program. The following conditions must be met before closing an ARC grant:
- A. It has been determined that all funds have been expended;
  - B. all activities have been completed;
  - C. all the required reviews and audits have been made; and
  - D. there are no monitoring or audit findings outstanding.
- 7-2 PROCEDURES Follow the procedures listed below when closing ARC grants:
- A. As part of the closeout agreement, the grantee must certify that the actual total eligible project costs are correct and in accordance with the grant conditions and other agreements;
  - B. The grantee must submit to the HUD Field Office a final report of each ARC grant identifying the total project cost; final eligible project costs; and the final amount of CDBG, ARC, state and local funds used. This information may be provided in the "Financial Status Report" (SF-269) and its supplement (see Exhibit 7-1).
  - C. The amount of any underrun in the total project costs becomes a reduction in the ARC funds needed for the project and should therefore be unexpended ARC funds; and
  - D. The HUD Field Office will forward all the completed SF-269 forms and their supplements to the Regional Accounting Division (RAD).
  - E. RAD will deobligate and recapture any unexpended balances as indicated in Item 8 of the SF 269 form and its supplement.