

Guide for Review of Closeout System			
Name of Program Participant:			
Staff Consulted:			
Name(s) of Reviewer(s)		Date	

NOTE: All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance. All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the reviewer in understanding the participant's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a "**finding.**"

Instructions: This Exhibit is designed to evaluate the state's compliance with the required elements of a closeout system. States are required under 24 CFR 570.489(d) to have fiscal control and accounting procedures. States may adopt the provisions of 24 CFR Part 85, or they may use their own state-established provisions. As part of its fiscal controls, and as required by 24 CFR 570.489(i), a state should have closeout procedures which will ensure that all applicable administrative actions and all required work have been completed by the recipient and the state. Where noncompliance is related to the lack of documentation, the reviewer may also need to cite 24 CFR 570.493(b). Two separate worksheets are attached to the end of this Exhibit to be completed if time permits and/or any issues that would indicate the need to sample state file documentation to test the state's closeout procedures. Worksheet I is designed to review a sample of state grant recipient files from a given year. Worksheet II is designed to summarize data for all of the grant years being monitored.

Questions:

1.

Does the state have standards for determining when grants to units of general local government are considered completed and ready to be closed out? (If the response is "yes," include a description of the state standards in your response below.) [24 CFR 570.489(i)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

2.

Does the state have an established system for submission of financial and performance reports after state grant recipients have completed all activities? (If the response is “yes,” include a description of the state’s system in your response below.) [24 CFR 570.489(d)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

3.

Are the financial and performance report submission deadlines set by the state reasonable, given either the nature of the state’s program design or the type of activities funded? (Describe the deadlines or the state’s process for setting deadlines and the factors considered as support for your conclusion below.)	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

4.

Does the state have a system to ascertain when project or activity completions have occurred? (If the response is “yes,” include a description of the state’s system in your response below.) [24 CFR 570.489(i)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

5.

Does the system have a means to follow up when reports are not submitted?	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

6.

Does a system exist to determine if unencumbered cash is available? [24 CFR 570.489(d)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

7.

Is there a means to ensure that state grant recipients return unencumbered cash? [24 CFR 570.489(d)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

8.

Is there a system to track receipt of unencumbered cash to ensure it is received and properly accounted for? [24 CFR 570.489(d)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

9.

a. Is there a method for systematic settlement of any issues that arise during the closeout process? [24 CFR 570.489(i)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

b. Is the method described and made available to recipients?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

10.

Have criteria been established for deciding when grants will be terminated for both of the following situations: a. cause? b. convenience? [24 CFR 570.489(i)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

11.

Have termination procedures been established for both of the following situations: a. cause? b. convenience? [24 CFR 570.489(i)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

12.

Have procedures been established to notify recipients of proposed termination actions for both of the following situations? a. cause? b. convenience? [24 CFR 570.489(i)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Each Conclusion:	

13.

Based on the results of your review, including any sampled files, do the state's procedures appear to be implemented in both of the following situations? a. cause? b. convenience? [24 CFR 570.489(i)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Each Conclusion:	

14.

a. Is there a system of remedies for noncompliance? [24 570.492]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

b. If the answer to "a" above is "yes," are the remedies being used? [24 570.492]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

15.

Is CDBG-funded property acquired by recipients accounted for? [24 CFR 570.489(k)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

16.

Is there a means to track overall progress of recipients? (If the answer is “yes,” include in your response below how information is gathered on recipient activities.) [24 CFR 570.492]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis For Conclusion:	

17.

Is there a means to identify when remedial actions should be taken? [24 CFR 570.492]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

18.

Is there a means to ensure that recipients are carrying out activities in a timely manner? [24 CFR 570.492]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

19.

Does the state issue “conditional closeouts” subject to completion (by the recipient) of certain pending or follow-up actions? (If the answer is “yes,” include in your response below the types of pending actions that conditional closeouts cover.)	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion:	

20.

If submission of a final audit is a closeout condition, does the state retain the right to recover funds as appropriate based on the final audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion:	

21.

Based on the results of your review, has the state established requirements and taken action to ensure the timely closeout of its grants to units of general local government? [24 CFR 570.489(i)]	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion:	

Worksheet I: Closeout System Program Year Recipient Analysis			
Name of Program Participant:			
Staff Consulted:			
Name(s) of Reviewer(s)		Date	

Instructions: This worksheet is available to supplement the information contained in the “Guide for Review of Closeout System.” When subgrant/project files are reviewed to confirm the implementation of the state’s system, select a sample within a specific program year and complete the columns below [insert recipient name/project identification in column (a); dates in columns (b) through (f); and “Yes” or “No,” as appropriate, in column (g).] Provide responses to support conclusions and explain delays in complying with the state established procedures at the end of this worksheet.

Year: _____

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	Recipient and Project Name	Date Approved	Date 90% Drawdown	Date 100% Drawdown	Date Final Report Received	Conditional Closeout (with/without audit)	National Objective Met: Yes/No
1.							
2.							
3.							
4.							
5.							
6.							

Exhibit 4-8
State CDBG Program

6509.2 REV-5

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	Recipient and Project Name	Date Approved	Date 90% Drawdown	Date 100% Drawdown	Date Final Report Received	Conditional Closeout (with/without audit)	National Objective Met: Yes/No
7.							
8.							
9.							
10.							

CONCLUSIONS:

Exhibit 4-8
State CDBG Program

Worksheet II: Closeout System Analysis by Program Years			
Name of Program Participant:			
Staff Consulted:			
Name(s) of Reviewer(s)		Date	

Instructions: This worksheet is available to supplement the information contained in the “Guide for Review of Closeout System.” When grant years are reviewed to provide summary results from the implementation of the state’s system, identify a sample or series of grant years. Insert the year in column (a). Enter the number of state grants from the specified year to units of local government that meet the heading criteria in columns (b) through (f). Provide your analysis of the results at the end of this worksheet.

(a)	(b)	(c)	(d)	(e)	(f)
FY	Number of Closed Grants Approved	Number 90% Drawdown	Number 100% Drawdown	Number Closed With an Audit	Number Closed Without an Audit
19					
19					
19					
19					
19					
19					
20					

Exhibit 4-8
State CDBG Program

6509.2 REV-5

(a)	(b)	(c)	(d)	(e)	(f)
FY	Number of Closed Grants Approved	Number 90% Drawdown	Number 100% Drawdown	Number Closed With an Audit	Number Closed Without an Audit
20					
20					
20					
20					
20					

CONCLUSIONS: