Department of Administration
Division of Housing

Chapter 8:

Financial Management

Financial Management

- The DOH has established recordkeeping requirements for CDBG recipients in accordance with 24 CFR Part 570.490, Recordkeeping Requirements
- CDBG funds must be maintained in a separate account or in a separate fund within an existing account
- Detailed records of receipts and expenditures of grant funds must be maintained at all times
- Records must be supported by source documents including but not limited to deposit receipts, invoices and payments, and contracts awarded.

Steps to accurate financial record keeping:

- Appoint a person to be responsible for Financial Management and Reporting
- Establish separate ledger accounts, and establish procedures to receive and disburse funds
- Establish paper and electronic accounting records
- Establish procedures for approving invoices, submitting claims, and issuing payments to vendors

- Primary responsibility of UGLG's Chief financial officer such as the Treasurer or Clerk
- The local procedures must be consistent with Generally Accepted Accounting Principles (GAAP) and federal requirements

Incurring Costs

- **Soft Costs,** such as administration, engineering services, and other non-construction related activities, may be incurred after the date of the grant Award Letter
- Engineering costs for the project incurred 12 months prior to the submission of the application may be counted as Match. No other budget category qualifies for this credit.

Incurring Costs

- **Hard Costs,** such as construction and the purchase of materials, may only be incurred following execution of the DOH Grant Agreement, completion of the Environmental Review process, and completion of applicable Labor Standards process

IMPORTANT REMINDER!

Improperly procured professional services will <u>not</u> be reimbursed.

Requesting CDBG Funds

- CDBG funds for **soft costs** may only be requested upon completion of the following:
  - Signed Grant Agreement with the Division of Housing (DOH)
  - Signed and completed Depository Certification Form
  - Signed and completed Signatory Certification Form
  - Financial Management Contact Person form
  - Signed and completed Request for Payment forms

Requesting CDBG Funds

- **Hard costs** may only be requested upon completion of the following:
  - Environmental Certification letter from the DOH Environmental Desk.
  - Applicable portions of the Labor Standards process:

Requesting CDBG Funds

- Submit a copy of the following forms **each time** CDBG funds are requested from DOH:
  - A copy of the completed pre-printed *Request for Payment* form (see *Attachment 8-B* for the sample form and instructions).
  - An up-to-date *Cash Control Register* beginning with the **second** request and every request thereafter (see *Attachment 8-C* for the sample form and instructions).
  - An up-to-date *CDBG Disbursements Journal* beginning with the **second** request and every request thereafter (see *Attachment 8-D* for the sample form and instructions).
  - An up-to-date *Matching Funds Journal* beginning with the **second** request and every request thereafter (see *Attachment 8-E* for the sample form and instructions).
  - Supporting documentation justifying your request (invoices, receipts, checks, etc.)

CDBG Funds

- CDBG funds are paid by check and are not wire transferred.
- CDBG funds will be mailed directly to the designated financial institution for deposit into the non-interest-bearing checking account that was specified in the Depository Certification form
- CDBG funds drawn must be disbursed within **three (3) working days**
- Localities may keep excess CDBG funds in the <u>noninterest-bearing</u> checking account if the amount is **less than** the **minimum allowable drawdown of $5,000.00**

CDBG Funds

- Administrative funds should be requested in approximate proportion to requests made from project budget categories
  - For example, if an overall average of 25 percent of the project budget has been drawn, do not expect to receive 50 percent of the administrative budget
- Matching funds must be kept in an account separate from CDBG funds and are to be spent concurrently with and in proportion to CDBG funds
  - This means that if the project comes in under budget, a portion of the local dollars are not spent, and a portion of CDBG funds are not spent.

CDBG Funds

- Supporting documentation for CDBG funds requested must be submitted to DOH with each payment request.
  - This includes invoices, canceled checks or copies, and bank statements
  - This documentation must **clearly** identify the items for which CDBG funds were/are going to be expended

Final Payment Request

- The DOH withholds 10% of the total project funds or $25,000, whichever is less, until the closeout documentation and reporting have been submitted to and approved by DOH
- If the final request is submitted **after the Grant Agreement expiration date**, you must document that expenses were incurred prior to the Grant Agreement expiration

Final Payment Request

- The Final Labor Standards Compliance Report (FLSCR) **must be** submitted prior to, or with, the final request for payment form if Labor Standards are applicable to your project
- DOH reserves the right to **withhold any and all payment requests until reporting requirements have been met and supporting documentation indicating expenditures is submitted and verified**

Wisconsin Department of Administration

Request for Disbursement of Community Development Block Grant Funds

SECTION I: REQUEST FOR PAYMENT

Make check payable to:

Village of Yourville
United Bank – ACCT# 00000000000
P.O. Box #0000
Yourville, WI 54000

Amount Requested $ -

Contract #

Request #

FINAL REQUEST? YES ☐

DOA Financial Payment #

DOA Receipt of Request

SECTION II: STATUS OF CDBG FUNDS

CDBG Grant Amount Awarded.....	$ 400,000
Less: CDBG Funds Received to Date.....	$ -
Less: CDBG Funds Being Requested.....	$ -
CDBG Grant Balance Remaining.....	$ 400,000

ATTACH:

Cash Control Register
Disbursements Journal
Matching Funds Journal

SECTION III: ACTIVITY DETAILS OF AMOUNTS REQUESTED

Contract Activities	IDIS Act No.	CDBG Funds Rec'd To Date	Funds Requested	Match Minimum Required	Match Expended To Date	Match Percent To Date
Wastewater Treatment Facility	18964	$ -	$ -	76.5%	$ -	#DIV/0!
Streets	18965	$ -	$ -	66.7%	$ -	#DIV/0!
Administration	18966	$ -	$ -	50.0%	$ -	#DIV/0!
Engineering, Misc., etc. (0% CDBG-Funded)	NA	NA	NA	100.0%	$ -	#DIV/0!
Project Totals		$ -	$ -	85.0%	$ -	#DIV/0!
CDBG Total Amount Requested To Date			**$ -**			

Final Draw Request Minimum CDBG Match Ratio: $1 for $5.65

CDBG Match Ratio to Date: $1 for #DIV/0!

SECTION IV: CERTIFICATION

I hereby certify that: the information reported above is correct; the amount requested is not in excess of current needs; federal funds in excess of $5,000 will be disbursed in three (3) working days; and, complete and accurate records are being kept to substantiate all expenses related to this request.

Authorized Recipient Signature — Date

Authorized Recipient Signature — Date

SECTION V: DOH AUTHORIZATION TO PROCESS PAYMENT

Bureau of Community Development Countersignature — Date

Mail completed form and attachments to: **DOA Division of Housing**
OR **Bureau of Community Development**
Forms and attachments may be: **101 East Wilson St - 9th Floor** ***/ P.O. Box #7970***
faxed (608-266-5381), or **Madison WI**
transmitted electronically to your project rep **53703-3405** ***/ 53707-7970***

Cash Control Register

Request For Payment Submitted				CDBG Checks Received			Collections, Refunds			Disbursements			Balance of Federal Cash on Hand	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Reg	Date Of Request	Amount Of Request	Cumulative Requests To Date	Date Of Deposit	Amount Of Deposit	Cumulative Receipts To Date	Date	Deposit Or Check Amount	Cumulative Amount To Date	Date	Amount	Cumulative Amount To Date	Date	Amount
										06/23/01	224,400.00	261,300.00	06/23/01	200.00
										09/01/01	5.00	261,305.00	09/01/01	195.00
4	09/11/01	283,460.00	544,960.00											
				09/22/01	283,460.00	544,960.00							09/22/01	283,665.00
										09/25/01	281,000.00	542,305.00	09/25/01	2,655.00
5	11/20/01	7,390.00	552,350.00											
				12/01/01	7,390.00	552,350.00							12/01/01	10,045.00
										12/04/01	7,585.00	549,890.00	12/04/01	2,460.00
							12/27/01	<2,460.00>	<2,460.00>				12/27/01	0.00
										12/27/01	2,460.00	552,350.00	12/27/01	0.00

CDBG Disbursements Journal

DATE	CHECK NUMBER	PAYEE, AND INVOICE OR VOUCHER NUMBER	AWARD AMT: $552,350.00 CHECK AMT:	0465 Water Tower $119,700.00	0424 Sewer Mains $138,750.00	0464 Water Mains $82,000.00	0433 Streets $137,800.00	0230 Eng. $64,100.00	0130 Admin. $10,000.00
06/23/01		TOTAL PAYMENTS TO DATE	261,300.00	100,045.00	64,700.00	41,000.00	45.00	50,100.00	5,410.00
06/23/01		GRANT BALANCE AVAILABLE	290,855.00	19,655.00	74,050.00	41,000.00	137,755.00	14,000.00	4,395.00
06/23/01		FEDERAL CASH ON HAND	$195.00	0.00	0.00	0.00	0.00	0.00	$195.00
09/01/01	AW	River Bank	5.00	0.00	0.00	0.00	0.00	0.00	5.00
09/25/01	1007	ACME Construction #0491	252,805.00	0.00	74,050.00	41,000.00	137,755.00	0.00	0.00
09/25/01	1008	Mary Smith Engineering Associates #7-8	11,000.00	0.00	0.00	0.00	0.00	8,000.00	3,000.00
09/25/01	1009	Water Tower Constructors, Inc. #0079	14,635.00	14,635.00	0.00	0.00	0.00	0.00	0.00
09/25/01	1010	Grantville Reimb. Force Acct. #0194&0693	2,560.00	2,560.00	0.00	0.00	0.00	0.00	0.00
09/25/01		TOTAL PAYMENT THIS MONTH	281,005.00	17,195.00	74,050.00	41,000.00	137,755.00	8,000.00	3005.00
09/25/01		TOTAL PAYMENTS TO DATE	542,305.00	117,240.00	138,750.00	82.000.00	137,800.00	58,100.00	8,415.00
09/25/01		GRANT BALANCE AVAILABLE	7,390.00	0.00	0.00	0.00	0.00	6,000.00	1,390.00
09/25/01		FEDERAL CASH ON HAND	2,655.00	2,460.00	0.00	0.00	0.00	0.00	$195.00
12/04/01	1011	Mary Smith Engineering Associates #9-10	7,585.00	0.00	0.00	0.00	0.00	6,000.00	1,585.00
12/04/01		TOTAL PAYMENTS THIS MONTH	7,585.00	0.00	0.00	0.00	0.00	6,000.00	1,585.00
12/04/01		TOTAL PAYMENTS TO DATE	549,890.00	117,240.00	138,750.00	82,000.00	137,800.00	64,100.00	10,000.00
12/04/01		GRANT BALANCE AVAILABLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12/04/01		FEDERAL CASH ON HAND	2,460.00	2,460.00	0.00	0.00	0.00	0.00	0.00

Matching Funds Journal

DATE	CHECK NUMBER	PAYEE, AND INVOICE OR VOUCHER NUMBER	MATCH AMT: $458,450.00 CHECK AMT:	0465 Water Tower $300,300.00	0424 Sewer Mains $31,350.00	0464 Water Mains $68,000.00	0433 Streets $0.00	0230 Eng. $58,800.00	0130 Admin. $0.00
06/23/01		TOTAL PAYMENTS TO DATE	265,650.00	110,000.00	31,000.00	68,350.00	0.00	56,300.00	0.00
06/23/01		BALANCE DUE	192,800.00	190,300.00	350.00	<350.00>	0.00	2,500.00	0.00
09/25/01	27891	Mary Smith Engineering Associates #8	2,500.00	0.00	0.00	0.00	0.00	2,500.00	0.00
09/25/01	27892	Water Tower Constructors, Inc. #0079	185,700.00	185,700.00	0.00	0.00	0.00	0.00	0.00
09/25/01	27893	Yourville. Force Acct. #0194&0693	2,560.00	2,560.00	0.00	0.00	0.00	0.00	0.00
09/25/01		TOTAL PAYMENTS THIS MONTH	190,760.00	188,260.00	0.00	0.00	0.00	2,500.00	0.00
09/25/01		TOTAL PAYMENTS TO DATE	456,410.00	298,260.00	31,000.00	68,350.00	0.00	58,800.00	0.00
09/25/01		BALANCE DUE	2,040.00	2,040.00	350.00	<350.00>	0.00	0.00	0.00