



START-UP MEETING REVIEW FORM

Grantee:		Grant Number:	
Grant Amount:		Date:	
Prepared By:			

List Approved Grant Activities	
List Activity Line Item (see attached Financial Statement)	Budget
Total Grant Amount:	

Correspondence, Local Government Contacts, and State CDBG Contacts

- REDD sends all written formal correspondence to the Chief Elected Officials.
- Emails will be sent to the local government contact, with a copy sent to the grant administrator.
- All correspondence, including emails, must include the grantee’s name and the CDBG grant number in the subject line. (e.g., Subject: Funding Conditions, City of Raleigh, 22-C-1236)
- All contract-related correspondence requires wet signatures and must be mailed to REDD.
- The grantee is responsible for notifying REDD of any changes to the CEO and staff.
- **Basic communications with the Grant Management Representative (GMR).** Please be sure to have monthly communications with the GMR regarding the grant status.

Contact	Name	Phone	E-mail
REDD Staff:			



START-UP MEETING REVIEW FORM

Essential Contractual Dates: <i>See the Grant Agreement for details</i>	
Date Grant Awarded by Secretary:	
Date Grant Agreement and Funding Approval Signed by REDD:	
Date Grant Agreement and Funding Approval Signed by Grantee:	
Date Grant Agreement and Funding Approval Due to REDD:	
Date Funding Approval Conditions Must Be Satisfied By:	
Date Request for Release of Funds Must Be Submitted By:	
Date Funds Must Be Obligated By:	
Date Funds Must Be Drawn Down By:	
Date Activities Must Be Completed By:	
Date Close-out Documents Are Due to REDD By:	

Grant Agreement & Funding Approval

- The **Grant Agreement and Funding Approval** are the contractual agreements between the grantee and REDD.
- Administrative funds may be obligated and expended after the **Grant Agreement & Funding Approval** are signed and returned to REDD. Administrative funds, however, must be drawn in proportion to program funds.
- A **Release of Funds letter** from REDD is required before programmatic activity funds may be obligated or expended in activities other than administration.

Funding Conditions			
<input type="checkbox"/> Closeout	<input type="checkbox"/> Sequence	<input type="checkbox"/> Amendment	<input type="checkbox"/> Work Write-Up
<input type="checkbox"/> Training	<input type="checkbox"/> Closeout	<input type="checkbox"/> Environmental	<input type="checkbox"/> Accomplishments & Beneficiaries
<input type="checkbox"/> Work Plan	<input type="checkbox"/> Lien	<input type="checkbox"/> Floodplain	<input type="checkbox"/> Benefit Condition (100% LMI)
<input type="checkbox"/> LMI Map	<input type="checkbox"/> Assurance	<input type="checkbox"/> Citizen Participation	<input type="checkbox"/> Duplication of Benefits
<input type="checkbox"/> Use of an Experienced CDBG Administrator		<input type="checkbox"/> Legally Binding Contract	
<input type="checkbox"/> Administration Contract/Inter-Local Agreement		<input type="checkbox"/> Performance-Based Contract	
<input type="checkbox"/> Build America, Buy America (BABA)			
<input type="checkbox"/> Other:			
<input type="checkbox"/> Other:			



START-UP MEETING REVIEW FORM

General Contractual Items

- Conflict of Interest
- Reimbursement of Improper DOC Expenditures
- Access to Records (At the local government, not the grant administrator's office)
- Project Savings
- Expenditures of non-CDBG funds – Concurrent with local funds
- Method of Payment – advance, reimbursement, or both

- Obligations of the recipient about vacant units

Extensions Request (is this accurate and can it be updated)

There are two ways to receive an extension:

- Change of a grant administrator
- Adverse weather (Hurricanes, Storms, etc.) or other unforeseen circumstances (e.g., public health emergency).

Extensions must be requested in writing and will be approved on a case-by-case basis. No extensions for excess funds.

Amendments & Revisions

Budget Revision: This is triggered when moving funds between existing line items that are less than 10% of the total grant amount. A letter on letterhead signed by the CEO or designee by resolution must be submitted to REDD. The grantee must wait for a letter of approval from REDD before submitting a requisition.

Budget Amendment: Moving funds between line items 10% or more of the grant amount, creating a new activity, or deleting an activity. A cover letter, budget form, newspaper ad, affidavit of publication, certified minutes of public hearing, and applicable Accomplishments and Beneficiaries forms if changing activities or project benefit must be submitted to REDD. Grantee must wait for a letter of approval from REDD before submitting a requisition. When changing activities, the environmental review must be updated. Identify properties that are 50 years old or older or ones that could be in a historic district and send the information to Historic Preservation for review. After Historic Preservation comments are returned to the grantee, the environmental review with the comments included must be submitted to the REDD Compliance Specialist.

Compliance Requirements

Compliance documents should be single-sided and clipped – not stapled and not bound. Please download these forms from the NC Department of Commerce website to ensure you have the latest version.

Due within 120 days from GA/FA signed by both parties. Key plans include:

- Fair Housing Plan
- Language Access Plan
- Section 3 Plan
- Equal Employment
- Procurement Plan



START-UP MEETING REVIEW FORM

Debarment

The grantee must confirm that all firms paid with CDBG funds must not be barred from business with the Federal and State governments and indicate the document used to verify non-debarment. Before any contract is signed or executed, the following must be completed:

- Federal debarment list www.sam.gov (date should be updated at the bottom)
- NC vendor debarment list. www.doa.nc.gov (must be dated and signed)
- Certificate of eligibility (must be dated and signed)

Environmental Review

The different levels of environmental reviews are as follows:

- Exempt – Capacity Building tasks, including planning. 1 signed and dated copy to REDD.
- Categorically Excluded – 1 signed and dated copy to REDD.
- Environmental Assessment – North Carolina Catalyst and Infrastructure.

Please contact the compliance department for additional information.

Environmental Request for Release of Funds (RROF)

- Categorically Excluded: Projects (use Notice of Intent to Request Release of Funds) – Posting 10-day local comment period; publishing 7-day local comment period.
- Environmental Assessment: Projects (use combined notice) – Posting 18-day local comment period; publishing 15-day local comment period.
- Posting documentation: letter from CEO stating 3 locations and dates posted.
- Publishing documentation: affidavit of publication from the newspaper.
- RROF is not required for Exempt Projects or Categorically Excluded Projects where compliance is not triggered.
- Contracts with a general contractor cannot be signed UNTIL an environmental review and RROFS have been issued to the grantee. If a contract is signed before the receipt of approvals, then this is considered a Choice Limiting Action.
- Funds will not be released until original (i.e., signed and dated) documents are received.

Equipment/Real Property Management

Equipment refers to property that has a useful life of more than one year and was purchased for \$5,000 or more. Federal requirements say that the State should use, manage, and dispose of equipment in accordance with State laws and procedures. Equipment and property purchased with CDBG-CV funds must be identified in the grant's closeout documents.

Procurement

Grantees must post all Requests for Proposals and Requests for Qualifications on the North Carolina Interactive Purchasing System (IPS) www.ips.state.nc.us or the NC Electronic Vendor Portal <https://evp.nc.gov/>.

Discuss the different types:

- Small Purchase – \$25,000 or less
- Sealed Bids – formal advertising



START-UP MEETING REVIEW FORM

- Competitive Negotiation- administration contracts If the grantee is using a Council of Governments (COG) to administer the project, competitive negotiation is not needed.
- Noncompetitive Negotiation – single source: Grantee must submit a written request to REDD. (see bulletin 10-10).

Allowable Costs: States are required to follow OMB cost principles that prescribe the cost accounting policies associated with the administering of Federal awards. See CFR Pt 200.

Section 3 and Minority/Women Business Enterprises/Small Disadvantaged Businesses: Grantees and their contractors and subcontractors are required to provide, to the greatest extent feasible, economic opportunities consistent with existing Federal, State, and local laws and regulations. To achieve this goal, grantees must do the following:

- Check the HUD Section 3 website to identify professionals and trades in your area. Print the findings and retain them in your files even when none are available. The website is https://www.hud.gov/program_offices/field_policy_mgt/section3
- Check the NC Historically Underutilized Businesses website to identify women and minority business enterprises (MWBE). Reach out to all found. Print the findings and retain them in your files even when none are available. The website is <https://ncadmin.nc.gov/businesses/hub>.
- Show consideration for Section 3, Veterans Owned Businesses (VOB), and M/WBE firms in the RFP and RFQ evaluation criteria.

Duplication of Benefits (DOB)

- Grantees must submit a DOB policy and plan to REDD. See GA for a date.
- Grantees policies and procedures are not adequate unless they include, at a minimum: (1) a requirement that any person or entity receiving CDBG-CV assistance (including subrecipients and beneficiaries) must agree to repay assistance that is determined to be duplicative; and (2) a method of assessing whether the use of CDBG-CV funds will duplicate financial assistance that is already received or is likely to be received by acting reasonably to evaluate need and the resources available to meet that need.
- The grantee must keep separate records and accounts for all federal funds, including CDBG-CV, CARES Relief Fund (CRF), and Emergency Rental Assistance (ERA).

Requisitions and Drawing Funds

- Grantees have access to administration funds after REDD receives the original executed Grant Agreement (GA) and Funding Approval (FA).
- Programmatic funds (e.g., public service, senior center) are not available until the environmental review is complete and REDD issues a letter releasing funds.
- Administration funds should be drawn in proportion to program funds. Remember, Admin funds are needed throughout the grant period through closeout.
- Send requisitions to the cdbgrequisitions@commerce.nc.gov. Do not send it to the GMR.
- The cut-off day for requisitions is Thursday at Noon. Payment should be in your designated account by Friday of the next week.
- Requisitions must be at least \$2,500 unless at the end of the grant.
- The requisition form is on the NC Commerce website.



START-UP MEETING REVIEW FORM

Signature Authority and Delegation of Signatory Authority

All correspondence must be signed by the Chief Elected Official or a designee identified by Board Resolution. At least one copy of the correspondence must have the original signature of the Chief Elected Official, or person authorized to sign CDBG-CV documents.

Reporting

If the reports are not received at REDD by the due date, grant funds may be frozen without additional notice.

- Annual Performance Report (APR) due annually by January 31st.
- Audits are due by March 30th each year if the grantee has expended \$25,000 in that fiscal year (July 1 to June 30 the following year).
- Debarment – Due by January 31st annually.
- Semi-Annual Labor Report – Due by March 31st and October 31st.

Budget/Project Ordinance and Annual Audits

A budget/project ordinance is required to be adopted by the board. Please make sure that your auditor is made aware to reflect the amount of the Budget/Project Authorization, Revenue and Expenditure; amounts recorded appropriately as Prior Years, Current Year and Total to Date. Additionally, each grant year's funds stand alone and are not to be mingled with other grants or other sources of funding. CDBG-CV program funds may only be used to pay for the CDBG-CV portion of the audit costs if more than five hundred thousand dollars (\$500,000) in all Federal Programs are used.

Rehabilitation, Reconstruction, and Public Facilities

Grantees must coordinate with the Grants Management Representative and the Rehabilitation Specialist regarding these activities. The following construction-related documents must be retained in the grantee's file:

- Work Write-ups and Scope of Work: A write-up and scope of work are required for each building rehabilitated in the project.
- Change Orders: Must be signed by the contractor, the dwelling owner, and the grantee. Change orders should be limited to items that are unseen at the time of the work write-up and appear during the rehabilitation phase. Change orders for items that are readily seen during the initial assessment/work write-up may be considered a disallowed cost. (Example: doors, windows, cabinets, water heater, roof, etc.)
- Substantial Rehabilitation and Lead-Based Paint – Concurrence from REDD is required before commencing rehabilitation on a unit where the cost is \$72,000 or greater or the cost per square foot is \$70 or greater. LBP is included in the cost. Make sure the building permit is in the rehabilitation file and the appropriate tax and license numbers are recorded. Identify the land cost when submitting substantial rehabilitation information. Follow Bulletin 11-8. Housing Selection Committee & Application guidelines; ranking; committee minutes reviewed at monitoring.



START-UP MEETING REVIEW FORM

- Note/Deed of Trust: No CDBG loan, regardless of the type of loan it is, may be subordinated to any type of loan other than a first mortgage that existed before the rehabilitation. All CDBG rehabilitation loans must be secured with a note and deed of trust. The deed of trust must be given to the Register of Deeds within 5 business days of signing the contract for rehabilitation and recorded within 60 calendar days (See Application guidelines and CDBG Bulletin 10-9).
- IFHU Activities: A hookup case file checklist and a Homeowners Acceptance of Work are required for each address.
- All homeowners must receive a copy of the final Note and Deed of Trust, Notice of Recession, Good Faith Estimate, Truth in Lending Statement, Warranty and Guarantee documents, and the Homeowner's Acceptance of Work. The grantee is required to show proof that these items were provided.

Labor Standards

- Public Facilities, infrastructure, and Special Economic Development projects are most likely impacted by these requirements.
- Describe the entire project when requesting Wage Decisions from the CDBG Compliance Specialist at. The Wage Decision request form is available on the NC Department of Commerce website.
- Send REDD Notice of Start of Construction/yellow Card with a copy of the Preconstruction Meeting Minutes.
- Post Wage Decision, EEO Info, Workplace Safety, etc. at Worksite in a Weather-proof Method Need Sequentially Numbered Payrolls; First Labeled Initial and Last Labeled Final. Interview Cross-section of Trades and Different Employees Over the Timespan of the Work Being Performed. Refrain from repeating interviews of the same employee unless classification is changed.
- All workplace labor standard posters must be posted in English and Spanish.
- Once additional classifications are received, they should be posted on the board.
- Take a picture and retain it in your files of the compliance postings on the construction site. Please note the date of the photograph and the location of the posts.

Monitoring Visits

REDD conducts onsite and virtual site inspections and desktop monitoring reviews. Before a monitoring review, the Grants Management Representative will contact the local government to share the monitoring method and the areas to be reviewed. When conducting onsite monitoring, a local government staff person or elected official is requested to accompany the grant monitor to the project area during monitoring visits.

Recordkeeping

Grantees must maintain and retain records for up to five years beyond the final closeout. This reminder will appear in the closeout letter. All records must be retained at the local government's office, not the consultants, and be available to NC Commerce staff and state and federal auditors.



START-UP MEETING REVIEW FORM

Grant Closeout Process

Closeout is due by the closeout date listed in the grant agreement (see page 1) or within 90 days of final requisition (if earlier than the Closeout date), if applicable. Submit the completed packet (originals only) containing the following, free from errors (without white-out, strikeouts, or other corrections):

- Cover letter for documents submitted; describe anticipated program income or de-obligated funds.
- Copy of the approved/adopted minutes from the closeout public hearing or certification signed by the Chief Elected Official.
- Affidavit of publication of the closeout public hearing advertisement.
- Copy of closeout public hearing advertisement from newspaper or tear sheet.
- Certificate of Completion.
- Applicable Accomplishments and Beneficiaries Form(s).
- Property Disposition Form.
- Use of Non-ED Program Income Form.
- Documents must be signed, where required, by the Chief Elected Official (CEO)

The grant closeout is not final until the CDBG Director issues a letter on NC Commerce letterhead informing the local government that the project is officially closed. Some grants may receive a Closed Pending Final Audit (CPFA) letter before the official closing.



START-UP MEETING REVIEW FORM
References, Websites, and Contact Information

North Carolina CDBG Regulations 4 NCAC 19L <http://reports.oah.state.nc.us/ncac.asp> Contact
REDD for CDBG Bulletins and the Application.

NC Department of Commerce Website:	https://www.commerce.nc.gov (CDBG policies, bulletins, forms, and additional information)
HUD Section 3	https://www.hud.gov/program_offices/field_policy_mgt/section3
Debarment	www.sam.gov www.doa.state.nc.us/PandC/actions.htm
Historically Underutilized Businesses (HUB)	https://ncadmin.nc.gov/businesses/hub
HUD Income Limits by Year	https://www.huduser.gov/portal/datasets/il.html
Electronic Vendor Portal (EVP)	https://evp.nc.gov/
Compliance Contact	919-814-4679 or compliance@commerce.nc.gov
Requisitions/Finance	Contact 919-814-4600 Fax 919-715-0567 CDBGRequisitions@commerce.nc.gov
Rehabilitation and Construction Matters	Conrad Wrencher, Rehabilitation Specialist 919-814-4698 or conrad.wrencher@commerce.nc.gov
General Program Inquiries or Issues	John F. Brooks, CDBG Section Chief 919-814-4663 or John.brooks@commerce.nc.gov

Mailing Address

<p>If using the U. S. Postal Service, mail to:</p> <p>Rural Economic Development Division/ State CDBG Program NC Department of Commerce 4346 Mail Service Center Raleigh, N.C. 27699-4346</p>	<p>If using overnight delivery, deliver to:</p> <p>NC Department of Commerce Rural Economic Development Division/ State CDBG Program 301 N. Wilmington Street, 4th Floor Raleigh, N.C. 27601</p>
--	--

CDBG Representative Signature

Date

Grantee Representative Signature

Date