

APPENDIX K

Policy and Procedure to Determine Timely Expenditures

State of Louisiana

Certification Checklist

Prepared by



LOUISIANA
Office of
COMMUNITY
DEVELOPMENT

Timely Expenditure Policy
Louisiana Office of Community Development

Summary: The purpose of this policy is to define the guidelines OCD will follow in the administration of Federal grants to ensure Timely Expenditures.

Applicable Laws: None

The following policy applies to both CDBG Disaster Recovery (CDBGDR) and CDBG Mitigation (CDBGMIT) grant funds.

The State is required to expend funds within the statutory guidelines (Period of Performance) and as defined in its individual grant agreements. State grantees and subrecipients are required to expend funds within its executed contracts which will not exceed the individual POP for the appropriate federal grant. Per grant requirements, penalties for failure to meet milestones will be included in agreements, which may result in a full or partial recapture of funds or a reduction in award amounts.

Tracking Expenditures

Payments to grantees are outlined in the Finance Procedures Manual, Section 7 titled Cash Disbursements. Grantees submit Financial Request for Payment (FRFP) to the Finance Section and upon review and approval, the FRFP is sent to the Office of Finance and Support Services (OFSS) for processing. Grantee expenditures will be tracked by using the accounting system utilized by the State (currently ISIS) and HUD's Disaster Recovery Grant Reporting (DRGR) system. These systems will be reconciled at least monthly to ensure accuracy of the data.

Monitoring

OCD Reporting section will prepare monthly management reports which will provide grantee and subrecipient expenditures. This will allow senior management and program managers to monitor expenditure rates and milestone to ensure grantees will complete projects and activities within expected timelines.

Noncompliance

If a Grantee fails to meet the required deadlines, the grant is reviewed by the program managers to discuss possible reprogramming of funds.

Responsible Party: The responsible party for ensuring timely expenditures will be the Director of Finance and Reporting (Director) and may be contacted at 225-219-9600.