

CDBG/HOME Reimbursement Request Basic Training

July 12, 2019

McHenry County Community Development Division

Agenda

- ▶ Standardizing reimbursement requests
- ▶ Reimbursement Request Packet
 - Required documents and structure
- ▶ Evidencing leverage/match
- ▶ Redacting sensitive information
- ▶ Submission and review process

Addressing the elephant in the room

- ▶ For those that have active projects that have submitted requests...
 - Delays in fulfilling requests
- ▶ Software errors and glitches are reducing
- ▶ Hoping to expedite process
 - At least back to normal timeframe

Standardizing reimbursement requests

- ▶ Why?
 - Standardizing request packets will assist in expediting reviews/processing
 - Assist both Community Development Division and Auditor's Office
 - Project types will have different supporting documents, but packet structure is similar for all projects

Reimbursement Request Packet

1. Cover letter
2. Request for Reimbursement Form
3. Invoice Summary List
4. Supporting documentation

Cover letter make-up

- ▶ Printed on agency letter head
- ▶ Addressed to Hans Mach
- ▶ Information required on letter
 - Name of project
 - Request amount
 - Request number
 - First, second, etc. and final
 - Brief description of request
 - Signed by authorized representative

Cover letter example

Exhibit A

ComDev Development
123 Someplace Rd.
Anywhere, IL 61234

July 12, 2019

Re: Green Neighborhood Project Second Reimbursement Request

Dear Mr. Mach,

ComDev Development respectfully requests \$3,511.74 in CDBG funding for its Green Neighborhood Project. This reimbursement request will cover eligible tests, materials and labor costs associated with the project.

Please find attached with this letter the reimbursement form, Invoice Summary Log and all required supportive documents for this second reimbursement request.

This request also contains evidence of \$3,109.26 in match.

If additional information is required, please do not hesitate to contact me. Thank you for your support for the Green Neighborhood Project.

Sincerely,

John Doe

John Doe
Executive Director
ComDev Development



Underlined words are key information that should be detailed in all requests.

Reimbursement Request Form

- ▶ Key financial document for request
- ▶ Form will be provide to you after Subrecipient Agreement has been fully executed
- ▶ Form is an Excel worksheet with formulas
- ▶ Accuracy is required, a packet with a form containing errors will not be reviewed

Exhibit B

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM- REQUISITION FOR REIMBURSEMENT

Claimant: ComDev Development REMIT TO Address: 123 Someplace Rd. City: Anywhere State: IL Zip: 61234

Project Title: Green Neighborhood Project Program Year: 2018 Activity# 123 Award Amount: \$ 50,000.00

Budget Item Description (ex: Construction)	Approved Grant Funded Amount (\$50,000.00)	Less Amount Previously Requested (\$12,000.00)	Equals Current Remaining Balance (\$38,000.00)	Less Amount Requested for THIS Requisition (\$7,500.00)	Equals Balance Carried Forward (\$30,500.00)
Salaries and fringes	\$ 10,000.00	\$ 1,250.00	\$ 8,750.00	\$ 1,255.25	\$ 7,494.75
Construction materials	\$ 25,000.00	\$ 5,000.00	\$ 20,000.00	\$ 1,381.49	\$ 18,618.51
Contracting costs	\$ 15,000.00	\$ 1,000.00	\$ 14,000.00	\$ 875.00	\$ 13,125.00
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS:	\$ 50,000.00	\$ 7,250.00	\$ 42,750.00	\$ 3,511.74	\$ 39,238.26

Program Match Description	Required Amount of Match	Less Amt Previously Evidenced	Equals Remaining Match Balance	Less Match evidenced THIS Requisition	Equals Match Balance to be submitted
Construction materials	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 76.26	\$ 2,423.74
Contracting costs	\$ 5,000.00	\$ -	\$ 5,000.00	\$ 3,033.00	\$ 1,967.00
TOTAL:	\$ 7,500.00	\$ -	\$ 7,500.00	\$ 3,109.26	\$ 4,390.74

I, John Doe, do solemnly swear that the expenditures listed above are agreed upon with McHenry County, under contract, and represent actual dollar amounts expended for the services/work procured or provided, or materials purchased for the program activity listed above. Supporting documentation including sales receipts, billing invoices, and/or copies of payroll checks have been furnished with this requisition form. Supporting documentation for the listed expenditures are copies of actual receipts, invoices, or checks provided to support the expenditures listed above.

State of Illinois, County of McHenry

Signed (or subscribed or attested) before me on Date: _____

By: _____
(Signature of the person whose name appears in the sworn statement above)

(Notary Public seal)

Signature of Notary Public _____

Office Use Only: Current Quarterly Report? Y ___ N ___

CD Division Approval: _____

Director Approval: _____

Vendor # _____ Grant # _____

Division # _____ OBJ LVL # _____

Invoice # _____ PO / DP _____

Invoice Summary List

- ▶ List of supporting documents within the request packet
- ▶ Assists in verifying all documents are included
- ▶ Provides CD Division ability to ask questions/clarification on specific documents
 - “On Invoice #2...”
- ▶ Leverage/match also noted on this document

Invoice Summary List example

Exhibit C

Invoice Summary List for Green Neighborhood Project

Reimbursement

Item	Description of cost	Amount	Document #
Payroll	Hourly pay	\$ 1,255.25	1
Construction materials	Siding	\$ 110.92	2
Construction materials	Flooring	\$ 1,270.57	3
Frank's Lighting	Electrical contracting	\$ 525.00	4
Hot & Cold, Inc.	Plumbing installation	\$ 150.00	5
Lead-Be-Gone	Lead testing	\$ 200.00	6
Total:		\$ 3,511.74	

Match

Item	Description of cost	Amount	Document #
Construction materials	Door frame	\$ 76.26	2
Hot & Cold, Inc.	HVAC contracting	\$ 2,683.00	7
Frank's Lighting	Lighting installation	\$ 350.00	8
Total:		\$ 3,109.26	

Supporting documentation

- ▶ “If it is not documented, it didn’t happen”
- ▶ Evidence of eligible cost and payment
- ▶ Documentation should be:
 - Singled sided
 - Labeled correctly to match Invoice Summary List
 - Not stapled – paperclip or binder clip acceptable
 - Not folded if possible
 - If photocopied, information is not cut off or blurry

Examples of Supporting Documentation

- ▶ Employee timesheet
 - Signed by employee and supervisor
- ▶ Payroll sheet or pay stub
- ▶ Invoices and proof of payment
- ▶ Partial or full lien waivers
- ▶ Tenant Based Rental Assistance (TBRA) forms
- ▶ Certified payroll sheets
 - Required for Davis–Bacon/IL Prevailing Wage rates
 - Use form WH–347 from Department of Labor

Davis–Bacon and Illinois Prevailing Wage Rates

- ▶ Davis–Bacon Act
 - Enacted 1931
 - Required for CDBG projects over \$2,000.00 for non–service projects or when rehabilitation occurs on more than 8 units in one structure
 - Required for rehabilitation or construction of more than 12 HOME assisted units in one structure
- ▶ Illinois Prevailing Wage Act
 - Enacted 1941
 - Required for projects funded with public funds
- ▶ Costs may be similar, but could be slightly different – use higher rate

Evidencing leverage/match

- ▶ Leverage/match amount taken from Subrecipient Agreement
- ▶ “If it is not documented, it didn’t happen”
- ▶ Invoices can be split between reimbursement and leverage/match evidence
 - Ex: \$100 cost with \$75 in CDBG request and \$25 as evidenced as leverage
- ▶ Leverage/match is very important as it is reported back to HUD and Congress for each project

Redacting Sensitive Information

- ▶ Redact following information from requests prior to submission:
 - First five (5) digits of employee/contractor’s Social Security Number
 - First twelve (12) digits of a Credit Card
 - Bank routing/account numbers on checks
 - Employee’s home address
 - Minor’s name
 - Minor’s address
 - Employee’s birthdate
 - Employee’s personal cell phone number
 - Medical tests/diagnoses

Ways to submit a Packet

- ▶ Submit by mail
 - McHenry County
Department of Planning
and Development
 - c/o Community
Development Division
Office
 - 2200 N. Seminary Ave.,
Woodstock, IL 60098
- ▶ Submit by courier
 - McHenry County
Administration Building
 - 667 Ware Rd., Woodstock
 - Suite 208

Submitting a final request

- ▶ When submitting the final reimbursement request:
 - Must state “final” on the cover letter
 - Include a “Final Report”
 - Report provided by CD Division staff or on webpage
 - In some instances additional reports may be requested
- ▶ Any funds remaining in the project after the final request is processed will be withdrawn from the project and placed back into the funding pool for future competitions.

Timeframe for fulfilling request

- ▶ Targeted fulfillment time is within **30–60 days** of Community Development Division office receiving the request
 - Review documentation and cost eligibility
 - Request more information or missing information
 - Staff capacity to complete reviews and requests during funding rounds

Review process

- ▶ Upon receiving Reimbursement Request Packet, the Packet will reviewed by CD Division
 - Verifying necessary documentation, eligible project costs, and accuracy of documents
- ▶ Packet then submitted to Auditor's Office
 - Verify supporting documentation and amount accuracy
- ▶ Questions/clarifications may arise at any point of the review process
- ▶ Once Packet receives all clear, processed in software and check will be cut
 - Mailed checks usually take a week to be received once cut

Reimbursement Request Basics Guide

- ▶ Guide will be available on the Community Development “ CD Planning Documents” webpage
- ▶ Information presented in this presentation will be in Guide
- ▶ Guide will contain example documents
- ▶ Requests must following Packet structure
 - Request not following structure will not be reviewed

GROW Program

- ▶ CD Division has partnered with Volunteer Center McHenry County on the GROW Program
 - Program designed to offer classes to help non-profit capacity



Community Development Division contact information

- ▶ Community Development Division office
 - Phone: 815-334-4560, option 5

- ▶ Hans Mach, Community Development Administrator
 - HDMach@mchenrycountyil.gov
- ▶ Jena Hencin, Community Development Specialist
 - JMHencin@mchenrycountyil.gov
- ▶ Zak Klehr, Community Development Specialist
 - ZAKlehr@mchenrycountyil.gov
- ▶ Bianca Gonzalez, Administrative Assistant
 - BLGonzalez@mchenrycountyil.gov

Thank You!

We appreciate your hard work to improve the lives of the people in McHenry County.