



Community Development Block Grant (CDBG)
Demand Payment Procedures
for the
CONTRA COSTA COUNTY HOME CONSORTIUM
Cities of Antioch, Concord, Pittsburg, Richmond, Walnut Creek
and County of Contra Costa

The pre-demand requirements, procedures and back-up documentation required for requesting payment from Consortium members are the **same** for all jurisdictions **with the exception of presenting demands**. The County uses form D15 (sample form attached) for demands and the cities ALL use an online Request for Reimbursement Form on City Data Services.

APPLICABLE FEDERAL REGULATIONS

- Circular A-110: Administrative Requirements for Federal Grants Awarded to Non-Profit Organizations
- Circular A-122: Cost Principles for Non-Profit Organizations

The OMB circulars can be downloaded off the Internet by going to the website <http://www.hud.gov> (click on search, which brings up a site index, click on publications, click on OMB circulars).

GENERAL INFORMATION

- Demands are paid on a **reimbursement basis** and should be submitted **at a minimum quarterly**, or more frequently, if needed.
- To the extent practicable, CDBG funds should, during the year, be **disbursed on a pro rata basis** with other finances provided to the project.
- **Current quarterly reports** MUST be received in order to process any claim for payment.
- If **changes in staff** occur during the program year, written notification must be sent to affected Consortium members, along with an updated program staff list, within 10 working days.
- If your organization moves to a **new location**, please notify CDBG staff of the new address in writing in a timely manner.
- Agencies that **expend \$500,000 or more in a year in Federal awards** are required to have a **single audit** conducted for that year. Please submit a copy of the Single Audit to ALL funding jurisdictions.

BEFORE PROCESSING A DEMAND, WE MUST HAVE:

1. A fully executed **project agreement**.
2. Current **insurance certificate(s)**. Insurance must be kept current throughout the contract year.
3. A program staff list (if applicable) approved by an officer of the organization, listing all employees who will be working on the program along with their titles, description of job responsibilities, hourly pay rates or billable rates and approximate percentage of a full time equivalent to be spent on the program per pay period (see attached sample).
4. Completed NEPA review and, if applicable, obtained a release of funds from HUD.

SUBMITTING CITY DEMANDS

- To request payment from Consortium cities, use the Request for Reimbursement form on City Data Services.
- First, complete the Quarterly Sources and Uses Report in City Data Services. Then go to Request for Reimbursement and click on “import values” for the appropriate quarter to populate the fields with expenses input in the Sources and Uses.
- Print the form and then “click here to submit invoice”. Sign the hard copy of the form in blue ink and mail to the city contact for which you are requesting reimbursement.
- To your demand, attach the **Personnel/Operating Expense Summary Form** which details all personnel and operating expenses (see attached form).
- Before submitting your final demand, if it appears that you will exceed a line item by more than 10%, **request a budget modification from your city grant contact**.

SUBMITTING COUNTY DEMANDS

- Use the County demand form (D15) signed by a person who can legally bind the organization such as the Executive Director or Board of Director member. The submitted demand must have an original signature in blue ink. A blank copy of the D15 is attached for future use. Please keep this copy as a master and make additional copies as needed.
- Please write “Final Demand” on the last demand for the project year.
- The Sources and Uses of Funds Report should be attached to the quarterly demands, or if demands are sent monthly to the September, December, March and June demands.

REQUIRED DOCUMENTATION FOR ALL DEMANDS - CITY & COUNTY

Ongoing subrecipients (funded in the prior program year) are required to submit:

- A detailed **Personnel/Operating Expense Summary** (see attached sample) **with each reimbursement request along with vendor invoices.**
- The personnel summary will show for each employee whose costs are being claimed: the number of hours worked on the program each pay period, the number of hours for which reimbursement is being requested, the hourly pay rate/billable rate and the corresponding check numbers and check dates, as well as the amounts being claimed for taxes and benefits.
- The expense summary will show the amounts being claimed for reimbursement along with the corresponding vendor references, payment dates and check numbers.

New subrecipients are required to submit:

1. The **Personnel/Operating Expense Summary AND source documentation for personnel costs claimed**, consisting of employee time sheets and payroll registers/earnings reports, for the **first six months of the program year.**
2. **Copies of vendor invoices AND copies of the checks for the first six months of the program year.**

INDIRECT COSTS

- Subrecipients that receive a U.S. Department of Housing and Urban Development (HUD) **negotiated indirect cost rate** must submit a copy of the letter showing the authorized indirect rate.
- All other subrecipients wishing to claim indirect costs are required to do the following **at the start of the program year:**
 - specify the indirect cost rate
 - explain the methodology used to calculate the rate
 - detail the indirect costs to be allocated.

Subrecipients should refer to OMB Circular A-122: Cost Principles for Non-Profit Organizations, for guidelines for preparing an indirect cost rate.

NON-ALLOWABLE EXPENSES:

It is our policy not to reimburse subrecipients for the following expenses:

- cost of food, drinks (except bottled water), or food related items, unless these expenses directly pertain to the program services provided
- computer hardware or software costs (unless prior approval is granted)
- cellular phone expense (unless prior approval is granted)
- fundraising costs
- costs of recruiting staff or volunteers
- employee bonuses
- training costs, unless the training directly pertains to the provision of program services.

AFTER DEMANDS ARE RECEIVED:

- After receiving requests for payment, CDBG staff review them for compliance with project agreement specifications, eligibility of expenses, and compliance with regulations.
- Demands take approximately two to three weeks to process providing everything is in order.
- Payment of demands is contingent on the timely submission of all required reports.

ATTACHMENTS:

Sample Program Staff List
Sample Personnel/Operating Expense Summary
Blank County Demand Form D15

