

ALLOWABLE COSTS TIMELINE (ATTACHMENT 8-A)

Costs Allowed Prior to the CDBG Award:	Costs Allowed After the Grant Award:	Costs Allowed after Grant Agreement is Executed (signed by all parties) and Environmental Review is Complete (certified by DEHCR):
<p>Updated 10/10/2023: <i>Architectural/Engineering (A/E) services costs:</i></p> <ul style="list-style-type: none"> For CDBG Awards prior to July 2022: A/E costs incurred up to 12 months prior to the Grantee's CDBG application submission may count as Match for the CDBG project (contingent upon verifying compliance with local procurement policy). For CDBG Awards in July 2022 or later: All A/E costs incurred prior to Application are allowed as Match (contingent upon verifying compliance with local procurement policy). A/E services are not eligible to be paid/reimbursed with CDBG funds, unless allowed for the specific CDBG program (not eligible for annual competitive CDBG-PF program; may be eligible for other programs if program specifications allow (contingent upon verifying compliance with procurement requirements specified in Chapter 3 of the <i>CDBG Implementation Handbook</i>). If being paid with CDBG funds, invoiced costs will only be paid or reimbursed after the Grant Agreement is fully executed. 	<p><i>Grant Administration and other "Administrative" Activities:</i></p> <ul style="list-style-type: none"> Only grant administration and other administrative costs incurred after the grant Award Date are eligible to be paid or reimbursed with CDBG funds, or to count as Match for the CDBG project (contingent upon verifying compliance with procurement requirements specified in Chapter 3 of the <i>CDBG Implementation Handbook</i>). If the costs are being paid with CDBG funds, invoiced costs will only be paid or reimbursed after the Grant Agreement is fully executed and the Environmental Review process is complete/certified. 	<p><i>Construction, Acquisition/Relocation, Planning (after ER Letter of Concurrence):</i></p> <ul style="list-style-type: none"> NO CONSTRUCTION activities may occur on the project site until the Grant Agreement is executed and the ER is certified. Starting prior to this may disqualify part of or the <i>entire</i> CDBG project. If construction bidding or contracting occurs prior to the Grant Agreement being executed and the ER being certified, and the contract award is contingent upon these factors, the Grantee must inform the contractor(s) of this contingency to the contract/award. Some pre-construction activities such as mobilization and materials/supply orders necessary to begin construction may be allowed prior to the Grant Agreement being fully executed but the Grantee will be fully responsible for those costs in the event the project does not go forward (i.e., if the Grant Agreement does not get executed and/or the ER is not approved/certified). The cost of acquiring/purchasing real property may not be incurred prior to the <i>Grant Agreement</i> being executed and the <i>Environmental Report</i> being certified, if the costs are to be paid/reimbursed with CDBG funds. If acquisition occurs prior this, it may disqualify the entire CDBG project. DEHCR recommends the acquisition occur after the <i>Grant Agreement</i> is executed and the <i>Environmental Report</i> is certified by DEHCR for <i>any</i> acquisition for a CDBG project, regardless of funding source, when feasible, to ensure the property is eligible for the CDBG project and the Grantee is aware of the environmental implications of completing the project on the property. The cost of acquiring/purchasing real property is not eligible as a Match cost unless incurred after the Grant Agreement is executed, and the <i>Environmental Review</i> (once completed) confirms the site is eligible for the CDBG project.
<p>Only costs associated with the approved Scope of Work as presented in the Grant Agreement are eligible, and contingent compliance with the terms and requirements listed above; in the Grant Agreement; and the CDBG Implementation Handbook.</p>		