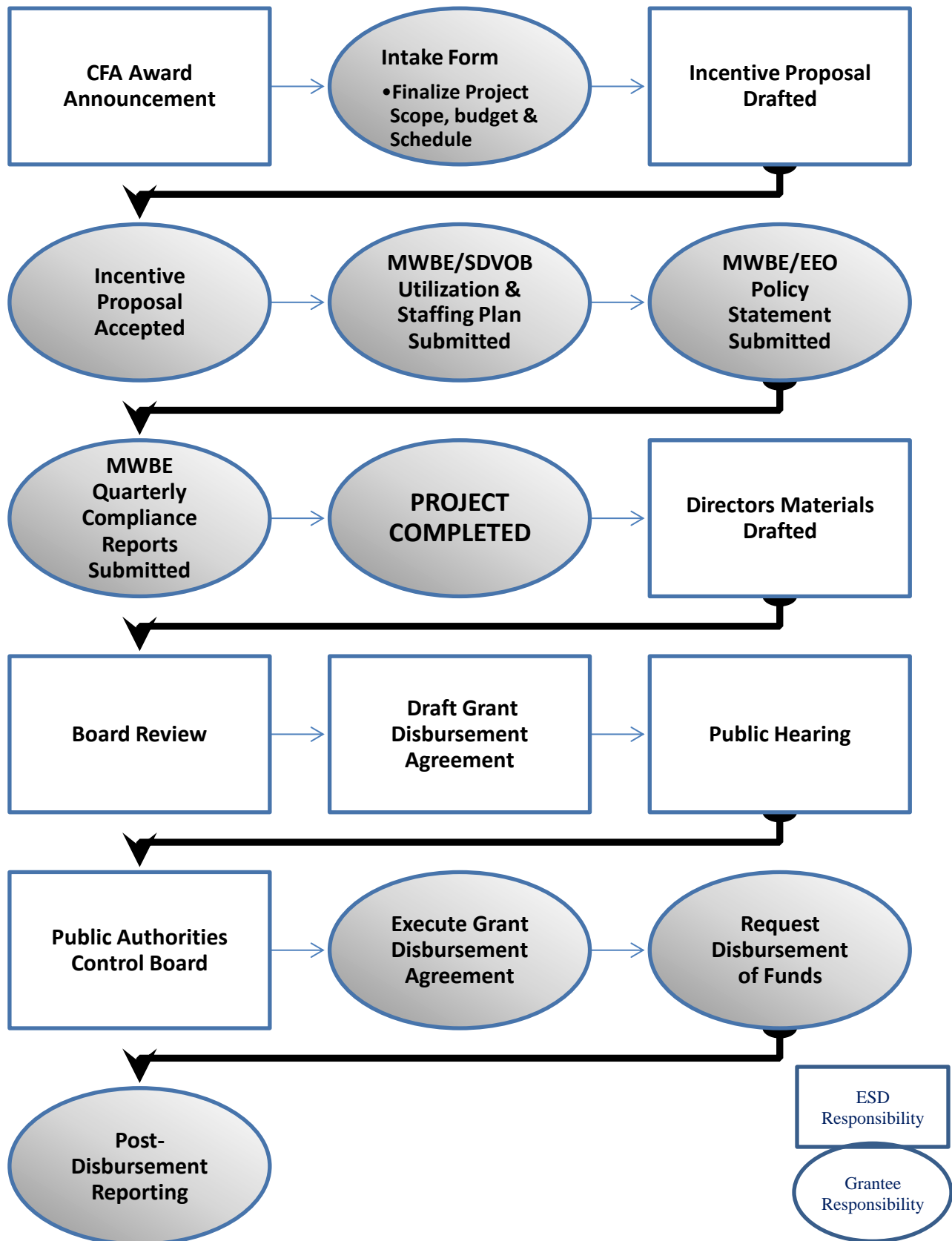


NEXT STEPS FOR CFA – FUNDING APPROVAL AND DISBURSEMENT PROCESS



NEXT STEPS FOR CFA – FUNDING APPROVAL AND DISBURSEMENT PROCESS

Step One: Preparation for ESD Directors' Approval

- Applicants awarded funding through the [Consolidated Funding Application \(“CFA”\)](#) receive an Incentive Proposal documenting the proposed award and required fees.
- Although funding is offered prior to project commencement as an encouragement to undertake the project, funds generally are disbursed in arrears, as reimbursement for expenses undertaken.
- Terms and conditions for disbursement of the award are included in the Incentive Proposal. For CFA grants, funds may only be used for expenses incurred on or after the CFA award date.. Likewise, only hiring that takes place after the Incentive Proposal has been countersigned by the Applicant may count toward any applicable project new job targets.
- [Minority & Women Owned Business Enterprise \(MWBE\)](#) and [Service Disabled Veteran Owned Business \(SDVOB\)](#) utilization goals and information are included in the Incentive Proposal.
- MWBE/SDVOB a Utilization Plan and Staffing Plan must be approved prior to commencement of work for budget items to be reimbursed by ESD.
- Grant recipients are required to submit Reports (with stated deadlines) that document sub-contracting payments to certified MWBE/SDVOB firms during the course of the project.
- Not-for-profit organizations must be prequalified with [Grants Gateway](#) and the State Comptroller’s [VendRep](#) system and the [NYS Attorney General’s Charities Bureau](#) prior to ESD Approval.
- As the project nears completion of requirements for the Initial Disbursement as outlined in your Incentive Proposal, please contact your Project Manager.
- Your Project Manager will work with you to prepare materials that will be submitted for consideration and approval by ESD’s Directors.
- It takes approximately two to three months to process and prepare materials to be presented to the ESD Directors. The ESD Directors typically meet monthly.
- You will have the opportunity to review the materials that are submitted for review.

Step Two: After ESD Directors' Approval

▪ **Draft Grant Disbursement Agreement**

A draft Grant Disbursement Agreement (“GDA”) will be sent to you for review. Your Project Manager will work with you to finalize the GDA after the next two steps.

▪ **Public Hearing**

A Public Hearing is required for all ESD capital grants. ESD will schedule a Public Hearing, to be held at least 10 days after approval. This Public Hearing is for any public comment on ESD’s award of funds. A representative from the Company/Organization is welcome to attend and make a brief statement about the project; however, this is not required. ESD arranges for public notice, an attorney and a court reporter and pays the relevant fees for these services. The Company/Organization later reimburses ESD for these expenses, typically under \$1,000 total (higher in New York City due to public notice costs). If a member of the public provides negative testimony at the Public Hearing, ESD considers the testimony and determines if a response is required and if so, the project is presented again for approval.

NEXT STEPS FOR CFA – FUNDING APPROVAL AND DISBURSEMENT PROCESS

- **[Public Authorities Control Board \(“PACB”\)](#)**

ESD will submit the project to the PACB for approval. The PACB is required to approve state funding of all capital projects. The PACB typically meets monthly and projects are typically presented to the PACB meeting the month following the ESD Directors’ authorization and successful Public Hearing.

Step Three: Execute Grant Disbursement Agreement

- After the above steps are completed, ESD will provide two signed, final GDAs to the Company/Organization. The Company/Organization signs both and returns one to ESD with the following:
 - A check for commitment fee and reimbursement of Public Hearing expenses, as applicable
 - An Opinion of Counsel (if ESD grant or loan is over \$100,000)
 - Wire transfer information
 - W-9
 - Insurance Certificates

Please note that submitting the signed GDA does not automatically prompt disbursement of funds.

Step Four: Request Disbursement of Funds

- After the GDA is executed, the Grantee can request disbursement of funds, assuming that all requirements for disbursement have been met. Required documentation is in the GDA, and your Project Manager can answer any questions.
- Typical requirements include:
 - A “Payment Requisition Form” summarizing relevant information and verifying its accuracy;
 - Documentation of project costs. Depending on the size of the project and type of Company/Organization, this is provided by a CPA, by actual copies of invoices and proof of payment, or by an Affidavit signed by an Officer of the Company;
 - Documentation that there has been no materially adverse changes to the Company/Organization’s financial condition since the time of ESD Directors’ approval;
 - Documentation demonstrating that the Company/Organization contributed at least 10% equity to the project, if required (see Incentive Proposal);
 - Proof of compliance with MWBE/SDVOB program requirements.
 - Certificate of occupancy
 - Insurance Certificates
 - Employment Reporting
- After ESD receives completed documentation, funds are sent via wire transfer, which typically takes 4-6 weeks for ESD’s internal review, plus additional time for the [Division of Budget](#) to certify the availability of funds and the [Office of the State Comptroller](#) to make the funds available to ESD.
- If the project has more than one disbursement milestone, the Company/Organization submits additional information when the milestones for the following disbursement have been met.

After Disbursement

- If project involves job retention/creation, annual reporting is required. Post disbursement reporting may also be required if noted in the Grant Disbursement Agreement.