MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

Small Business Support Hubs Office Hours/1.0 Closeout

August 31, 2026

SBSH 1.0

Milestone 5 Closeout

Hub Office Hours

Finishing the program cleanly, accurately, and audit-ready

Closeout readiness • final reconciliation • recordkeeping

Executed grant agreements, approved amendments, and written MEDC instructions remain the controlling documents.

SBSH 1.0: What We Built Together

- A statewide network of 27 Small Business Support Hubs.
- Expanded access to technical assistance and business support
- New and strengthened partnerships across Michigan’s entrepreneurial ecosystem
- Direct financial assistance to small businesses
- Greater reach into underserved and rural communities
- A foundation for the next generation of the SBSH program

SBSH 1.0 IMPACT – BY THE NUMBERS

Cumulative results reported through June 30, 2026*

12,000+
UNIQUE BUSINESSES SERVED

3,200+
NEW BUSINESS STARTS

43,000+
NEW JOBS PROJECTED

580+
SECOND STAGE COMPANIES

1,300+
DIRECT GRANTS AWARDED

$8 MILLION+
DIRECT GRANT FUNDING DEPLOYED

And the story is still being written.

These figures represent cumulative Hub reporting through June 30, 202 6 and are **not final program results.**

Final impact data will be compiled following SBSH 1.0 closeout.

Public Policy Associates (PPA) is also engaging Hubs and small businesses to capture lessons learned, experiences, and the broader impact of the program.

Today's Closeout Roadmap

- Confirm the final SBSH 1.0 timeline and what must be completed by each deadline.
- Walk through the Milestone 5 submission package and financial reconciliation.
- Clarify expectations for subawards, unspent funds, supporting documentation, and certifications.
- Review post-closeout record retention, audit readiness, and continuing responsibilities.
- Identify issues early so they can be resolved before final submission.

Key Date: September 30, 2026

SEPTEMBER 30, 2026

Spending deadline

Eligible program expenditures must be completed and paid by September 30, 2026

Final submission

Submit the Milestone 5 closeout package through the Salesforce portal. By September 30, 2026.

Closeout Preparation: Four Steps

1

Verify performance & budget

Confirm activities and milestones align with the approved workplan and budget. Account for approved amendments and budget reallocations.

2

Reconcile financial activity

Tie the general ledger, invoices, payment records, and prior reimbursement/disbursement reporting together.

3

Assemble documentation

Organize invoices, proof of payment, payroll/timekeeping, allocations, procurement, property records, and written approvals.

4

Submit & respond

Submit the complete package through Salesforce by September 30 and respond promptly to MEDC follow-up.

Milestone 5 Submission Package

- Final financial, performance, and other required reports.
  - Cumulative Expense Template — identify activity after Milestone 4 as Milestone 5.
  - Cumulative General Ledger.
  - Exhibit D-5 Final Completion Form.
  - Verification that unspent funds have been returned.
- Final performance reporting and documentation of deliverables/outcomes.
- Closeout certification signed by the authorized grantee representative.
- Documentation supporting the reconciliation and any returned funds.
- Evidence that all Hub subawards have been closed and reconciled.
  - Subgrantee Cumulative General Ledger (expenses should tie out)

> The closeout package should tell one consistent story: approved budget → actual activity → actual expenditures → funds received → funds returned, if any.

Financial Reconciliation: What Must Tie Out

Approved Grant Amount → **Eligible Expenditures** → **Funds Received** → **Unspent / Return Due**

- General ledger expenses reconcile to the cumulative expense template and prior submissions.
- Reimbursements/disbursements received reconcile to actual eligible expenditures.
- Costs are allowable, properly classified, and not duplicated across funding sources.
- Journal entries, adjustments, indirect/fringe calculations, and cost allocations are documented.
- Any remaining SBSH cash is identified and returned through the MEDC process.

Supporting Documentation: Be Audit-Ready

Financial & Personnel

- Invoices, receipts & vendor bills
- Proof of payment
- Payroll registers & schedules
- Positive timekeeping documentation
- Cost allocation support

Administrative & Compliance

- Procurement documentation/signed contracts
- Written approvals & amendments
- Monitoring/corrective-action records
- Equipment/property records
- Key program communications

If a reviewer cannot trace an expense from the ledger to the supporting documentation and proof of payment, resolve that gap before submission.

Close Every Downline Subaward

- Reconcile each subrecipient’s final expenditures to the amount advanced or reimbursed.
- Confirm required financial and performance reports have been received.
- Resolve questioned, unsupported, or ineligible costs before Hub closeout.
- Recover any unspent or disallowed funds owed back to the Hub.
- Retain the subaward agreement, amendments, monitoring records, and closeout documentation.

Unspent Funds: Final Reconciliation & Return

- Identify the final amount of SBSH funds that will not be supported by eligible expenditures.
- Do not create spending simply to exhaust the award; expenditures must remain necessary, reasonable, allowable, and within the approved scope.
- Return funds according to MEDC's closeout instructions and retain proof of remittance.
  - Identify the funds as return of SBSH 1.0
  - Check remittance to: State of Michigan / MEDC-SBSH Program / 300 N. Washington Square / Lansing, MI 48913
- MEDC will reconcile the returned amount to the final financial reporting.

Closeout Does Not End Compliance Responsibilities

- MEDC or federal reviewers may later disallow costs and recover funds based on audit or review.
- Certain federal and grant requirements continue after program closeout, including record retention, audit requirements, and compliance with applicable federal requirements.
- Records must remain organized, accessible, and auditable for the applicable retention period.
- Maintain a current organizational point of contact for post-closeout questions.

Record Retention

Grantees must retain all records and supporting documents related to the Grant Agreement for five years - December 31, 2031.

Common Closeout Problems to Avoid

- Using September 30 as a spending deadline only, it is also the reporting deadline.
- Submitting a general ledger that does not reconcile to the cumulative expense template.
- Missing proof of payment or positive timekeeping documentation.
- Leaving subawards open or unreconciled when the Hub submits its closeout.
- Certifying that all funds were spent when funds are still being returned or reconciled.
- Discarding records after closeout or losing access when staff changes.

Before You Submit: Final Hub Check

- [ ] All eligible spending completed by September 30
- [ ] Cumulative expense template updated through Milestone 5
- [ ] Cumulative general ledger reconciled
- [ ] Supporting documentation complete and accessible
- [ ] All subawards closed and reconciled
- [ ] Unspent funds identified / return documented
- [ ] Final performance reporting complete
- [ ] Certification signed by authorized representative
- [ ] Package submitted in Salesforce by September 30, 2026

Questions? Bring forward anything that could affect eligibility, reconciliation, or timely closeout before the final package is submitted.

Closeout Goal: Complete, Reconciled, Defensible

1. Finish eligible activity
2. Reconcile every dollar
3. Close every subaward
4. Submit a complete package
5. Return remaining funds
6. Preserve the record

Thank you for your partnership in closing SBSH 1.0.