

- 1 c. Have satisfied all special conditions of the grant agreement except those that must
2 be fulfilled in the remaining period of the grant. This includes the performance
3 and resolution of audit findings in a timely manner.

4 Grantees should be aware that anything beyond a six-month extension must be approved by
5 the Deputy Assistant Secretary of the Office of Public Housing Investments and any
6 extensions may result in a negative impact on the Past Performance review in future grant
7 applications.
8

- 9 8. Any changes requested by the Grantee must be in writing. HUD will approve/reject
10 requested changes as appropriate. Approved changes will be reflected by an amendment to
11 this Grant Agreement and issued by a revised HUD-1044 cover sheet with any attached
12 documents as needed to define changes approved. Amendments will become effective upon
13 execution of the HUD-1044 between HUD and the Grantee when both parties have signed
14 the HUD-1044.
15
- 16 9. If the Grantee's program is not implemented within **60 days of the grant start date (the**
17 **start date is the date both parties sign the HUD-1044 and this Grant Agreement)**, the
18 Grantee must report by letter to the appropriate HUD field office of the steps taken to initiate
19 the program, resulting changes to the timetable, the reason for the delay, and the expected
20 starting date. Any timetable revisions as a result of the delay must be included for HUD
21 approval. **NOTE:** Failure to comply with this requirement may result in termination of this
22 agreement and recapture of grant funds.
23
- 24 10. HUD may terminate funding if the Grantee demonstrates an unwillingness or inability to
25 implement and maintain the program; does not use procedures that will minimize the time
26 elapsing between drawdowns and disbursements of grant funds; does not adhere to
27 agreement requirements or special conditions; engages in the improper award or
28 administration of grant subcontracts; does not submit required reports; or produces
29 unacceptable deliverables.
30

31 **SUBARTICLE B: FINANCIAL RESPONSIBILITIES**

32

- 33 1. The Grantee shall use leverage/match resources in accordance with its approved application
34 and approval from HUD field office staff.
35
- 36 2. Prior to initial drawdown of funds, all Grantees must have secured online access to the
37 Internet as a means to communicate with HUD on grant matters. Applicants shall draw down
38 funds using the electronic Line of Credit Control System (e-LOCCS). Tribes/TDHEs may
39 request to be exempted from this and may continue to use the Line of Credit Control System
40 (LOCCS) voice response system.
41
- 42 3. Depending on the type of Grantee organization, where applicable, the Grantee agrees to
43 comply with the organizational audit requirements of OMB Circular A-133 and HUD 24
44 CFR Part 84 or 85 including audit requirements. The final audit report, must cover the entire

1 period of the grant. The audit must be submitted to HUD no later than 90 days after the grant
2 is closed, covering the entire award period originally approved or amended. An original and
3 one identical copy of the report shall be sent to HUD. All other requirements of 24 CFR
4 Parts 84 or 85 shall apply. For grantees where an audit is required, a single audit or a
5 program-specific audit is acceptable. If a grantee chooses a single audit, the final audit report
6 that includes this grant is due no later than 30 days after the single audit is completed.
7 *According to OMB Circular A-133, grantees that expend less than \$500,000 in federal*
8 *awards are exempt from the audit requirement, but records must be available for review or*
9 *audit.*

- 10
- 11 4. The Grantee shall minimize the time elapsing between the transfer of funds from HUD and
12 the disbursement of funds. The HUD funds are to be made available based on actual need.
13 The Grantee must make a drawdown for costs incurred *only*. Drawdowns in excess of need
14 may result in special procedures for payments, or termination of the grant when there are
15 persistent violations. Funds requisitioned through LOCCS must be disbursed within **three**
16 **calendar days after receipt of funds drawdown**. The Grantee must be in compliance with
17 OMB Circulars A-87, A-122 or A-133, as applicable.
- 18
- 19 5. Prior to traveling outside the local area for program related training/conferences, the Grantee
20 must request approval from the HUD field office in order for funding and reimbursement to
21 be approved. Training and travel costs from this grant may not exceed \$6,000 per Service
22 Coordinator position for the life of the grant.

23

24 **SUBARTICLE C: METHOD OF PAYMENT [FUNDS DRAWDOWN]**

25

- 26 1. The Grantee may not draw down grant funds until the following actions have taken place:
- 27
- 28 a. HUD has received and approved any certifications and disclosures required by 24
29 CFR 87.110 concerning lobbying and by 24 CFR 24.510(b) regarding ineligibility,
30 suspension and debarment. This also includes any other required certification forms,
31 which must be completed and included as a part of this grant agreement.
- 32
- 33 b. All pre-conditions listed in form HUD-1044, this Grant Agreement or the NOFA,
34 must be completed by the grantee and verified by HUD.
- 35
- 36 2. Payments of grant funds shall be through electronic funds transfer using the Line of Credit
37 Control System-Voice Response System (VRS) or E-LOCCS. Initial drawdown cannot be
38 earlier than the start date of the grant term. NOTE: Costs cannot be reimbursed for activities
39 undertaken prior to the grant's start date. The basic procedure is as follows:
- 40
- 41 a. To establish a line of credit, the Grantee must complete and submit the following
42 forms:
- 43

- 1 i. HUD-27054 *Voice Response System Access Authorization* (for VRS and e-
2 LOCCS)
3 ii. SF-1199A *Direct Deposit Sign-Up Form* with sample **voided** check. NOTE:
4 The depositor account on the SF-1199A may be the same receiving account as
5 other HUD programs.
6 iii. These forms should be sent to the Grantee's local HUD field office for
7 processing. The field office will provide the grant number and program area
8 code.
- 9 b. To gain access to HUD Secure Systems in order to use e-LOCCS complete the
10 following:
11
12 i. Go to the following URL address:
13 www.hud.gov/offices/reac/online/reasyst.cfm
14 to access the login page to WASS.
15 ii **Select** 'Register Online' to begin the registration process and follow online
16 instructions.
- 17
18
- 19 3. After HUD processes the above documents, the Grantee will receive two letters:
20
21 a. One certified letter will provide a user identification number and password for the
22 individual who will be authorized to draw down the funds from LOCCS.
23
24 b. The second certified letter will contain specific instructions on how to use the
25 LOCCS system.
26
- 27 4. After the Grantee receives these two letters, it will be technically equipped to request
28 drawdowns.
29
- 30 5. **VRS-LOCCS or E-LOCCS Program Edits.**
31
32 a. E-LOCCS will automatically perform a series of review edits (both generic and
33 program specific) of each payment request. Failure of one of the program edits will
34 cause the payment request to be referred to the HUD field office for review.
35
36 b. The HUD field office will complete the review. The request will remain in the
37 system and further drawdowns will not be allowed until that review is complete and
38 the drawdowns approved or rejected.
39
40 c. The Grantee shall immediately contact the HUD field office when there is a question
41 regarding the request or when the request has been referred to the HUD program
42 office for review. A request will be referred to the program office for review when
43
44 i. There are requests for over 10% of total grant funds per calendar month;

- ii. Failure to submit an annual HUD form SF-425 - *Financial Status Report*, or Logic Model, as defined by this agreement and 24 CFR 84 or 85. VRS-LOCCS or E-LOCCS shall not accept a request for funds if required reports from the Grantee are thirty or more days overdue and will not accept future requests until the HUD field office confirms receipt and approval of the reports in LOCCS.
- iii. If the Grantee repeatedly fails to submit required forms, LOCCS will be converted to a system in which the HUD Field Office will **manually** review each drawdown request prior to releasing funds to the Grantee.

d. The voucher prefix for ROSS is 090.

SUB-ARTICLE D: AUTHORIZED FUNDS BY BUDGET LINE ITEM NUMBER

- 1. Please consult the NOFA for 2009 eligible activities and definitions. The Grantee’s budget will be broken down to fit the Voucher Budget Line Items as follows:

FOR ROSS – SERVICE COORDINATOR GRANTEES

**BUDGET
LINE
ITEM NO.**

ACTIVITIES	FUNDS
1168 Service Coordinator (salary & fringe)	\$
1268 Training Costs	\$
1868 Administrative Costs	\$
Total funding amount	\$

- 1 7. No grant payments shall be approved until **all** required reports (Logic Model, and SF-425 are
2 received and approved by the HUD field office.
3

4 **SUBARTICLE F: ADMINISTRATIVE REQUIREMENTS**
5

- 6 1. Grantees must comply with all current HUD program rules and regulations.
7
8 2. The Grantee shall maintain, and have access to, copies of documents relating to the award
9 and administration of this grant for at least three years after final closeout date of the grant
10 for inspection by HUD, the General Accounting Office, or their duly authorized
11 representatives.
12
13 3. The accounting systems of the Grantee must ensure that HUD funds are not co-mingled with
14 funds from other Federal, State, Tribal, or local government agencies or other HUD program
15 funds. Funds specifically budgeted and/or received for one program may not be used to
16 support or reimburse another. Where the Grantee's accounting system cannot comply with
17 this requirement, the Grantee must establish a system to provide adequate fund accountability
18 for each program for which it has been awarded funds. The Grantee's selection of
19 depository facility (such as a bank for example) shall be compliant with Federal regulations
20 and have insurance from the Federal Deposit Insurance Corporation or the National Credit
21 Union Share Insurance Fund to insure the established account.
22
23 4. The Grantee agrees to comply with the following requirements for which HUD has
24 enforcement responsibility:
25
26 a. Administrative requirements of OMB Circular A-110. These include the
27 procurement requirements of OMB Circular A-110 as applicable.
28
29 b. Depending upon the type of Grantee organization (nonprofit or State/local
30 government) Grantees where applicable, are required to comply with the
31 standards set forth in OMB Circular A-122 on Cost Principles for nonprofit
32 organizations, or OMB Circular A-87 on Cost Principles for State and local
33 governments.
34
35 5. Equal Opportunity Requirements. Grant funds must be used in accordance with the
36 following:
37
38 a. The requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d)
39 (Nondiscrimination in Federally Assisted Programs) and implementing
40 regulations issued at 24 CFR Part 1.
41
42 b. The prohibitions against discrimination on the basis of age under the Age
43 Discrimination Act of 1975 (42 U.S.C. 6101-07) and implementing regulations at
44 24 CFR Part 146, and the prohibitions against discrimination against handicapped

1 individuals under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794)
2 and implementing regulations at 24 CFR Part 8.

3
4 c. The requirements of Executive Order 11246 (Equal Employment Opportunity)
5 and the implementing regulations issued at 41 CFR Chapter 60.

6
7 d. The requirements of Section 3 of the Housing and Urban Development Act of
8 1968, (12 U.S.C. 1701u) State that (1) to the greatest extent feasible, opportunities
9 for training and employment arising in connection with the planning and carrying
10 out of any project assisted with grant funds be given to low-income persons
11 residing within the unit of general local government or the metropolitan area (or
12 non-metropolitan county) as determined by HUD, in which the project is located;
13 and (2) to the greatest extent feasible, contracts for work to be performed in
14 connection with any such project be awarded to business concerns, including but
15 not limited to individuals or firms doing business in the field of planning,
16 consulting, design, architecture, building construction, rehabilitation,
17 maintenance, or repair, which are located in or owned in substantial part by
18 persons residing in the same metropolitan area (or non-metropolitan county) as
19 the project.

20
21 6. A grantee may lease space for program activities only if the lease is for existing facilities not
22 requiring rehabilitation or construction. In addition no repairs to or renovations of the
23 property may be undertaken with Federal funds and Federal funds may not be used to lease
24 property in the Coastal Barrier Resources System designated under the Coastal Barrier
25 Resources Act (16 U.S.C. 3501) as identified on maps prepared by the U.S. Fish and Wildlife
26 Service. Grantees using federal funds to lease facilities must certify to HUD that either:(1)
27 The leased facilities are not in communities with coastlines along the Atlantic Ocean, Gulf of
28 Mexico or Great Lakes or (2) if the leased facilities are in such communities, that they have
29 viewed Fish and Wildlife Maps and based on their review of those maps, certify that the
30 leased facilities are not in areas that are part of the Coastal Barrier Resources System under
31 the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. or (3) if for any reason they cannot
32 make such a determination, obtain and submit a determination from the Fish and Wildlife
33 Service that the proposed leased property is not within the Coastal Barrier Resources System.
34 The relevant Fish and Wildlife Service maps are located online at the following address:

35
36 <http://www.habitatconservation/cbrunits.pdf>

37
38 7. The regulations in 24 CFR 87, related to lobbying, including the requirement that the Grantee
39 obtain certifications and disclosures from all covered persons.

40
41 8. Affirmatively furthering fair housing requirements in accordance with the FY 2009
42 SuperNOFA General Section. See addendum.

43
44 9. Drug-free Workplace Requirements (Grants) in 24 CFR 24 Subpart F.

- 1
2 10. Restrictions on participation by ineligible, debarred or suspended persons or entities at 24
3 CFR Part 24, Subparts A through E, which are applicable to contractors and subgrantees.
4
5 11. Other applicable regulations.
6
7 12. The Grantee's computer systems must operate in accordance with HUD's computer systems
8 and software to facilitate any and all electronic documents for conversion to HUD computer
9 systems and software. That is, when sending/transferring documents, computer disks, e-mail,
10 or CDs to HUD, the systems must be compatible so that HUD receives an exact copy.
11
12 13. The Grantee's computer and information systems must be able to access HUD's website(s)
13 so that data can be inputted as may be required by the grant, information can be retrieved and
14 funding through HUD's E-LOCCS system may be accessed.
15

16 **SUB-ARTICLE G: GRANT CLOSEOUT**

- 17
18 1. OMB Circular A-110 prescribes uniform closeout procedures for non-profits for Federal
19 grants and other agreements.
20
21 2. Code of Federal Regulations (CFR), 24 CFR Part 84 and 85 prescribe uniform closeout
22 procedures for Federal cooperative agreements/grant agreements.
23
24 3. It is the responsibility of the Grantee to comply in full with all closeout-reporting
25 requirements and to submit closeout reports in a timely manner.
26
27 4. The Grantee shall initiate project closeout within 30 days of the grant's termination date. At
28 HUD's option, the Grantee may delay initiation of project closeout until the resolution of any
29 HUD monitoring findings. If HUD exercises this option, the Grantee must promptly resolve
30 the findings.
31
32 5. The Grantee recognizes that the closeout process may entail review by HUD to determine
33 compliance with the grant agreement. The Grantee shall cooperate with any and all reviews
34 which may include making available records requested for on-site HUD inspection.
35
36 6. Within 90 days after the end date of the grant or any approved extension (revised end-date),
37 the following documents must be submitted by the Grantee to the HUD field office:
38
39 a. A certification of project completion which is a statement signed by the grantee.
40
41 b. A certification of compliance with all requirements of the grant agreement which is a
42 statement signed by the grantee
43

1 c. **Final Financial Report (SF-425).** The final report will be a cumulative summary of
2 expenditures to date and must indicate the exact balance of unexpended funds.
3 (Report shall cover grant start date to the end of grant). When the final HUD form
4 SF-425 is approved, the HUD field office will establish the amount due to HUD or
5 cancel (recapture) any unused grant funds as applicable.
6

7 d. **Final Logic Model.** The Logic Model must be completed to reflect all grant outputs
8 and outcomes achieved during the term of the grant. The Final Logic Model must
9 also include responses to the Management Questions included with the Logic Model
10 and a narrative indicating any positive or negative deviations from projected outputs
11 and outcomes as contained in your approved Logic Model.
12

- 13 7. When the HUD field office has determined to its satisfaction that the grant activities were
14 completed and all Federal requirements were satisfied, the HUD field office will execute a
15 closeout amendment to the Grant Agreement with the Grantee.
16
17 8. The Closeout Agreement or clause will include the Grantee's agreement to abide by any
18 continuing Federal requirements.
19
20 9. Failure to submit the required financial report, logic model, or any required audit report; or to
21 resolve program, financial or audit issues, may result in a suspension or termination of any
22 and/or all HUD grant payments.
23

24 **SUB-ARTICLE H: DEFAULT**

- 26 1. **Definition.** A default under this Agreement shall consist of *using grant funds for a purpose*
27 *other than as authorized by this agreement*; any noncompliance with legislative, regulatory,
28 or other requirements applicable to this Agreement; any other material breach of this
29 Agreement; or any material misrepresentation in the application submissions.
30
31 2. **HUD Preliminary Determination of Default.** If HUD makes an initial determination that
32 the Grantee is in default, HUD will give the Grantee written notice of this determination and
33 of the corrective or remedial action the Grantee must take in order to avoid default. The
34 Grantee shall have an opportunity to demonstrate, per HUD Handbook 2210.17, and on the
35 basis of substantial facts and data, that it is not in default, or that the proposed corrective or
36 remedial action is inappropriate, before HUD implements the remedial action.
37
38 3. HUD shall provide the Grantee with an opportunity at the earliest possible time to
39 demonstrate that it is not in default or that the proposed remedial action is inappropriate or
40 unnecessary.
41
42 4. If HUD determines that there is an imminent probability that the Grantee will continue to
43 expend grant funds contrary to this agreement unless HUD takes immediate action, HUD

1 may, concurrently with issuing a written notice of default, implement a remedial action
2 appropriate to prevent such expenditure.
3

4 5. Corrective or remedial actions that HUD may order under this Agreement include, but shall
5 not be limited to, the following:
6

- 7 a. Requiring the Grantee to prepare and follow a HUD approved schedule of actions
8 and/or a plan for properly completing the activities approved under the grant;
9
- 10 b. Canceling or revising the affected activities, revising the grant budget as
11 necessary, and substituting other eligible activities;
12
- 13 c. Discontinuing drawdowns under LOCCS and prohibiting payment or
14 reimbursement for any grant activities or, if more appropriate, for only those
15 activities affected by the default; and
16
- 17 d. Requiring reimbursement by the Grantee to HUD for grant amounts used
18 improperly.
19

20 6. **Grantee Failure to Remedy Default.** Where HUD determines that remedial actions
21 required by HUD to be taken by the Grantee have not been undertaken as instructed, or
22 will not be effective in correcting the default and to prevent further default, HUD may
23 take the following additional corrective and remedial actions under this Agreement:
24

- 25 a. Change the method of payment from LOCCS to some other available method of
26 payment, which involves HUD manual review and approval of every drawdown
27 request and permits draws only on a reimbursement basis.
28
- 29 b. Suspend the Grantee's authority to make drawdowns for affected activities for no
30 more than ninety (90) days pending action to cure the default and prevent further
31 default by the Grantee, or pending final remedial action by HUD.
32
- 33 c. Reduce the grant in the amount affected by the default;
34
- 35 d. Terminate the grant and initiate closeout procedures;
36
- 37 e. Take action against the Grantee under 24 CFR Part 24 with respect to future HUD
38 or Federal grant awards;
39
- 40 f. Require reimbursement by the Grantee to HUD for grant amounts used
41 improperly; and
42
- 43 g. Take any other remedial action legally available.
44

1 **SUBARTICLE I: GRANT MODIFICATION OR TERMINATION**
2 **BY AGREEMENT BETWEEN HUD AND GRANTEE**

- 3
- 4 1. HUD and the Grantee may mutually agree to modify this agreement as to time, cost, or
5 activity using form HUD-1044 in whole or in part, at any time.
6
 - 7 2. HUD or the Grantee, in accordance with OMB Circular A-110 may mutually agree to
8 terminate the agreement for convenience, after 30 days advance written notice, if it is in the
9 best interest of any of the parties. The termination notice must specify the reason for the
10 termination action and the proposed effective date.
11

12 **SUB-ARTICLE J: DISPUTES**

13

14 During the performance of this grant, disagreements may arise between the Grantee and
15 HUD on various issues. If a dispute concerning a question of fact arises, the grant Officer, after
16 hearing from both parties, HUD and the Grantee, shall prepare a final decision, taking into
17 account all facts and documentation presented. The decision shall be mailed to the Grantee. The
18 Grantee may appeal any decision by letter to the local HUD Field Office Director, Public
19 Housing Division/Office of Native American Programs of the HUD office administering this
20 Grant Agreement. The decision of the Director shall be final.
21

22

23 **ARTICLE III: GRANTEE PERFORMANCE**

24

25 HUD will judge performance based upon whether the Grantee achieves the agreed upon
26 activities within grant time limits and within budget and whether the Grantee has produced
27 tangible results through the execution of grant activities.
28

29 **ARTICLE IV: GRANTEE MISREPRESENTATION**

30

31 The Grantee or any subcontractor to the Grantee bound by this instrument who makes or
32 causes to be made a false statement, claim, or misrepresentation, which the Grantee or entity
33 knows or has reason to know is false, may be imprisoned and/or fined in accordance with civil or
34 criminal penalties and/or fines applicable under law, including Title 18 of the United States Code
35 (U.S.C.), Title 31, et seq. (Program Fraud Civil Remedies Act) and any other applicable
36 provisions of Federal, State or local law.
37
38
39

1 WITNESS WHEREOF, the parties have executed this Grant Agreement by their duly authorized
2 signatories as of the date signed by both parties.
3

4
5
6 _____ DATE
7 Signature of Grantee
8 Title
9 Agency or Organization

10
11
12
13 _____ DATE
14 Director, Office of Public
15 Housing or Native American
16 Programs
17
18

1 **AFFIRMATIVELY FURTHERING FAIR HOUSING ADDENDUM**

2
3 Section III.C.4.b of the **General Section** of the NOFA informs applicants that HUD has a
4 statutory duty to affirmatively further fair housing, and that HUD requires the same of its
5 funding recipients. Successful applicants for this program will certify in their grant
6 agreement/other funding arrangement that they will take reasonable steps to affirmatively further
7 fair housing and maintain records of these steps and their impacts. Reasonable steps include, but
8 are not limited to: (1) advertising for the Service Coordinator position widely in the community,
9 (2) marketing the program to all eligible persons, including persons with disabilities and persons
10 with limited English proficiency, (3) making buildings and communications that facilitate
11 applications and service delivery accessible to persons with disabilities (see, for example, HUD’s
12 rule on *effective communications* at 24 CFR 8.6), (4) providing fair housing counseling services
13 or referrals to fair housing agencies, (5) informing participants of how to file a fair housing
14 complaint, including providing the toll-free number for the Housing Discrimination Hotline: 1-
15 800-669-9777, and (6) if the program has a goal of homeownership or housing mobility,
16 recruiting landlords and service providers in areas that expand housing choice to program
17 participants. Record-keeping covers, but is not limited to, the race, ethnicity, familial status, and
18 disability status of program participants. Prior to execution of the grant agreement/other funding
19 arrangement, the successful applicant will submit a statement to the HUD Field Office outlining
20 the reasonable steps it plans to take to affirmatively further fair housing and how it proposes to
21 maintain records of such activities and their impact.

22
23 Indian tribes and tribally designated housing entities receiving assistance under NAHASDA are
24 not subject to the Fair Housing Act and, therefore, are not required to submit a statement on
25 affirmatively furthering fair housing. (24 CFR 1000.12(d))

26
27 ***Prior to execution of the grant agreement/other funding arrangement, the successful***
28 ***applicant will submit a statement to HUD outlining the reasonable steps it plans to take to***
29 ***affirmatively further fair housing and how it proposes to maintain records of such activities***
30 ***and their impact.***

31
32 **CONTRACT ADMINISTRATOR PARTNER AGREEMENT**

33 Applicants that are on the PHAS Troubled list generated by the Real Estate Assessment Center
34 (REAC) at the deadline date of the application are required to submit a signed Contract
35 Administrator Partnership Agreement. The agreement must be for the entire grant term. If an
36 applicant that is required to have a Contract Administrator Partnership Agreement fails to submit
37 one or if it is incomplete, incorrect, or insufficient, this will be treated as a technical deficiency.
38 The Contract Administrator must ensure that the financial management system and procurement
39 procedures that will be in place during the grant term will fully comply with 24 CFR Part 85.
40 Contract Administrators are expressly forbidden from accessing HUD’s Line of Credit Control
41 System (LOCCS) and submitting vouchers on behalf of grantees. Contract Administrators must
42 also assist grantees to meet HUD’s reporting requirements. Contract Administrators may be:
43 local housing agencies; community-based organizations such as community development
44 corporations (CDCs), churches, temples, synagogues, mosques; nonprofit organizations;

1 state/regional/local associations, agencies and organizations. Troubled PHAs are not eligible to
2 be Contract Administrators. Organizations that the applicant proposes to use as the Contract
3 Administrator must not violate or be in violation of other conflicts of interest as defined in 24
4 CFR part 85. ***HUD Field Offices or Area ONAPs will have final approval of Contract***
5 ***Administrators at time of grant agreement execution.***
6