



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

January 17, 2018

1/17/2018 12:02:12

Mr./Ms. Anita Baca  
Housing Authority of Cochise County  
1415 Melody Lane, Bldg A  
Bisbee, AZ 85603

Dear Mr./Ms. Baca:

The U.S. Department of Housing and Urban Development is pleased to inform you that the (Applicant Name) has been selected to receive an award for the FY 2017 Family Self-Sufficiency Program (FSS) competition for the following:

**Total Renewal FSS Program Coordinator Position(s): 1 Total Amount: \$53420**

By accepting this award, you assume certain administrative and financial responsibilities, including timely submission of all financial and programmatic reports, resolution of all interim FSS audit findings and consent to reviews. You will also be required to comply with all of the provisions in the FY17 FSS Notice of Funding Availability (NOFA) including the Affirmatively Furthering Fair Housing requirements. (Tribes/TDHEs are exempt from this requirement.)

Per the FY 2017 FSS NOFA, FSS funds may be used to perform routine Housing Choice Voucher (HCV) and/or Public Housing (PH) program functions *only if it enhances the effectiveness of the FSS program*, and does not interfere with the FSS Coordinator's ability to fully fulfill the role of the FSS Program Coordinator as his/her primary work. **FSS Coordinator positions MUST NOT be used to balance or fill-in gaps in traditional staffing. Performance of routine HCV and/or PH functions for non-FSS families does not enhance the effectiveness of the FSS program and is therefore an ineligible use of FSS funds. If a FSS coordinator will perform some PH or HCV functions, your agency must submit a request to HUD explaining how performing such duties enhance the FSS program; HUD approval is required before the FSS Coordinator performs these functions.**

Please refer to the FY2017 FSS NOFA, and the Grant Agreement for detailed information regarding administrative, financial, reporting requirements, and other terms and conditions of the award.

In previous years, Family Self-Sufficiency (FSS) awards were contracted through a paper-process, whereby grantees signed a Grant Agreement and a HUD-1044 form and returned it to their local HUD Field Office. Beginning in FY2017, awards for the Family Self-Sufficiency (FSS) program

will be made in the **Grant Solutions (GS), Grants Management Module (GMM)**. The Grants Management Module is a web-based system that will improve transparency for grants management activities by allowing authorized users to see the status of your completed actions online. It also serves as a virtual file cabinet of award documents and correspondence associated with each grant. Additional information to assist you with steps required to access the Grant Solutions/Grants Management Module, accept your Notice of Award and review the Grant Agreement, will be provided.

As with FY16 awards, HUD's intent is to recapture all funds that are not expended by the end of the grant period (12/31/18). Please also ensure that all expenditures conform with local salary comparables, which were submitted with your application and are required by the NOFA to be kept on file. If you do not believe that you will use all awarded funds within the 12-month award period, please inform your Field Office Grant Administrator.

Your Field Office will request that your agency sign and return the Grant Agreement within 72 hours of receipt, so please initiate any approvals/board resolutions, etc., that you may need to have in place in order for this expedited grant execution to take place.

If you wish to appeal the determination on your application in accordance with the Office of Public and Indian Housing's Policy, you must submit your request within 30 calendar days of the date of this letter, or by **February 20, 2018**. Your appeal request must include the basis for your appeal and must be sent to [GMC\\_FSS\\_Debriefings@hud.gov](mailto:GMC_FSS_Debriefings@hud.gov) and a copy to Cedric Brown, Director, Grants Management Center, at [cedric.a.brown@hud.gov](mailto:cedric.a.brown@hud.gov). In the event HUD committed an error that, when corrected, would result in increased funds, HUD may issue a revised award, subject to the availability of funds.

Separate and apart from an appeal request, you are entitled to request a debriefing related to your application during a period of at least 120 calendar days, beginning 30 calendar days after the FSS grant awards are publicly announced. If you would like to schedule a teleconference-based debriefing, you may send a written request via email to Cedric Brown, Director, Grants Management Center at [cedric.a.brown@hud.gov](mailto:cedric.a.brown@hud.gov) and copy to [GMC\\_FSS\\_Debriefings@hud.gov](mailto:GMC_FSS_Debriefings@hud.gov). Please note that a debriefing is intended to provide information and is not the same as an appeal.

Should you have questions concerning this award letter, please contact Cedric Brown at [cedric.a.brown@hud.gov](mailto:cedric.a.brown@hud.gov). Again, congratulations and thank you for your support of HUD and its programs.

Sincerely,



Cedric A. Brown  
Director  
Grants Management Center

1. DATE ISSUED MM/DD/YYYY 01/16/2018	2. CFDA NO. 14.896	3. ASSISTANCE TYPE Project Grant
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THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

451 7th Street S.W.,  
Washington, DC, DC 20410

NOTICE OF AWARD

1a. SUPERSEDES AWARD NOTICE dated except that any additions or restrictions previously imposed remain in effect unless specifically rescinded	
4. GRANT NO. FSS17AZ0139-01-00 Formerly	5. ACTION TYPE New
6. PROJECT PERIOD From 01/01/2018	Through 12/31/2018
7. BUDGET PERIOD From 01/01/2018	Through 12/31/2018

8. TITLE OF PROJECT (OR PROGRAM)  
Cochise County Family Self-Sufficiency Program

9a. GRANTEE NAME AND ADDRESS  
Housing Authority of Cochise County  
1415 Melody Ln # A  
Bisbee, AZ 85603-3027

9b. GRANTEE PROJECT DIRECTOR  
Mrs. Anita Baca  
1415 Melody Lane, Bldg A  
Bisbee, AZ 85603-0000  
Phone: 520-432-8883

10a. GRANTEE AUTHORIZING OFFICIAL  
Mrs. Anita Baca  
1415 Melody Lane, Bldg A  
Bisbee, AZ 85603-0000  
Phone: 520-432-8883

10b. FEDERAL PROJECT OFFICER  
Mr. Cedric Brown  
451 7th Street S.W.,  
Washington, DC 20410  
Phone: 202-402-0000

ALL AMOUNTS ARE SHOWN IN USD

11. AWARD COMPUTATION FOR GRANT	
a. Amount of HUD Financial Assistance	53,420.00
b. Less Unobligated Balance From Prior Budget Periods	0.00
c. Less Cumulative Prior Award(s) This Budget Period	0.00
d. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION	53,420.00
12. Total Federal Funds Awarded to Date for Project Period	53,420.00

14. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY, HUD ON THE ABOVE TITLED PROJECT AND IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING:  
a. The grant program legislation cited in remarks or attachment below.  
b. The grant program regulations cited in remarks or attachment below.  
c. This award notice including terms and conditions, if any, noted below under REMARKS.  
In the event there are conflicting or otherwise inconsistent policies applicable to the grant, the above order of precedence shall prevail. Acceptance of this award by the grantee acknowledges acceptance of these terms and conditions.

13. RECOMMENDED FUTURE SUPPORT  
(Subject to the availability of funds and satisfactory progress of the project):

YEAR	TOTAL DIRECT COSTS	YEAR	TOTAL DIRECT COSTS
a. 2		d. 5	
b. 3		e. 6	
c. 4		f. 7	

REMARKS (Other Terms and Conditions Attached -  Yes  No)

GRANTS MANAGEMENT OFFICER: Ms. Wilson, Susan

15. OBJ CLASS 4120	16a. VENDOR CODE 421541685	16b. EIN 421541685	17. DUNS 135910581	18. CONG. DIST. 02
FY-ACCOUNT NO.	DOCUMENT NO.	ADMINISTRATIVE CODE	AMT ACTION FIN ASST	APPROPRIATION
19. a. 17SPSC01	b. FSS17AZ0139	c. FSS	d. \$53,420.00	e. 86 1718 0350
20. a.	b.	c.	d.	e.
21. a.	b.	c.	d.	e.

# AWARD ATTACHMENTS

Housing Authority of Cochise County

FSS17AZ0139-01-00

1. Grant Agreement

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**FISCAL YEAR 2017**

**FAMILY SELF-SUFFICIENCY PROGRAM GRANT AGREEMENT (CFDA Number: 14.896)**  
**(Attachment to *NOTICE OF AWARD*)**

**ARTICLE I: BASIC GRANT INFORMATION AND REQUIREMENTS**

1. Award type: This is a cost-reimbursable, performance-based grant.
2. The Grantee's application and the HUD grant approval letter, including any special conditions, are incorporated into this agreement.
3. This agreement shall be effective immediately electronic signature of the grantee.
4. Period of performance: The period of performance will be 12 months. *For renewal grantees, the 12-month period of performance will generally begin the day after the most recent FSS grant expires. For most grantees, this will be January 1, 2018 to December 31, 2018. PLEASE NOTE: Funds (from this grant or previous FSS grants) not expended by the time that the FY18 grant awards go into effect MAY BE recaptured by HUD. HUD will work with grantees to determine the most efficient use of granted funds.*
5. This Grant Agreement will be governed by the following as they may from time to time be amended: the HUD Appropriations Acts, the United States Housing Act of 1937 as amended, the FY 2017 FSS NOFA dated 8/15/17, the Code of Federal Regulations (CFR) 24 CFR Part 24, 24 CFR Part 984, 2 CFR Part 200 any applicable OMB Regulations or Circulars, and Handbooks and Notices issued by HUD.
6. In executing this agreement, the Grantee agrees to abide by the provisions contained within all applicable Federal laws, Executive Orders, OMB Circulars, specifically OMB Circular A-110, any assurances and certifications in the final HUD-approved application (the original approved application may have required amendments by the field/applicant), and 24 CFR Part 984, as applicable.

**ARTICLE II: HUD REQUIREMENTS**

**SUB-ARTICLE A – GRANT ADMINISTRATION, CONDITIONS REQUIRING TERMINATION OF FUNDING**

1. The Grantee shall participate in meeting(s) (if requested by HUD) with HUD's local field office for the purpose of establishing a common understanding and strategy with respect to grant administration, timeline, deliverables, grant objectives, performance measures, and the scope of work necessary to achieve grant objectives.
2. The Grantee shall furnish all necessary personnel, materials, services, equipment, and facilities and shall otherwise do all things necessary for, or incidental to, the performance of the activities and tasks set forth in the approved application, and this Grant Agreement (except as otherwise specified).
3. The Grantee agrees that costs incurred prior to the execution of this Grant Agreement and implementation of HUD-approved grant activities, shall not be reimbursable by using funds from this grant except where the period of performance is back-dated with HUD approval due to HUD funding cycles.

- 1 4. The work to be performed under this Grant Agreement is outlined in the NOFA.  
2  
3 5. The grant funds shall be used only for eligible activities. Where a narrative is required, the local  
4 HUD Field Office may request additional information or documentation to clarify or verify items  
5 included in the written narrative submitted by the grantee.  
6  
7 a. **HCV or PH Program Functions:** *Per the FY 2017 FSS NOFA*, FSS funds may be used to  
8 perform routine HCV and/or PH program functions but only if the use of the FSS funds  
9 enhances the effectiveness of the FSS program. The performance of routine HCV/PH  
10 program functions may not be such that it impedes the ability of the FSS Coordinator(s) to  
11 effectively perform FSS functions. Performance of routine HCV and/or PH functions for non-  
12 FSS families does not enhance the effectiveness of the FSS program and is therefore an  
13 ineligible use of FSS funds. Additionally, while FSS funds may be used to perform  
14 homeownership functions for FSS families, this may not be the sole function for which funds  
15 are used. Refer to the FY 2017 FSS NOFA for more information on eligible and ineligible  
16 uses of funds.  
17 i. Grantees requesting to use FSS funds for HCV/PH program functions must submit, to  
18 its local HUD Field Office, a narrative justification, explaining the routine HCV  
19 and/or PH program function(s) performed by the FSS coordinator, how it will  
20 enhance the effectiveness of the FSS program, and why it does not impede the ability  
21 of the FSS Coordinator(s) to effectively perform FSS functions. The grantee must  
22 also certify that the function(s) is not performed for non-FSS families.  
23  
24 b. **Family Self-Sufficiency Guidebook and Online Training:**  
25 i. Grantees are strongly encouraged to review *Administering an Effective Family Self-*  
26 *Sufficiency Program: A Guidebook Based on Evidence and Promising Practices*.  
27 This guidebook provides FSS Coordinators, PHA and HUD staff with guidance on  
28 how to develop and administer a successful and effective FSS program. A weblink to  
29 this resource can be found on HUD's [FSS homepage](#).  
30  
31 ii. Grantees are strongly encouraged to complete the FSS Online Training. This self-  
32 directed, web-based training provides a comprehensive overview of how to  
33 administer an effective FSS program. HUD strongly encourages each FSS Program  
34 Coordinator to "GET CREDIT" for the training; specific instructions on activating  
35 the "get credit" function are provided on introductory page of the training course.  
36 The online training is **FREE** and takes approximately 8 to 10 hours to complete. A  
37 weblink to this resource can be found on HUD's [FSS homepage](#). **Please note:**  
38 ***Completion of the FSS Online Training may be mandatory for eligibility in future***  
39 ***FSS NOFA funding.***  
40  
41 c. **Administrative and Training Costs:** *Per the FY 2017 FSS NOFA*, administrative and  
42 training costs may be allowable costs subject to the provisions as described in Section ii.A.1  
43 of the NOFA. Funds awarded under this NOFA that are projected to remain unexpended by  
44 the end of the grant period for adequate reasons (such as FSS coordinator turnover or  
45 prolonged absence) may also be used for eligible administrative and training costs related to  
46 the FSS program, subject to prior HUD approval and a cap of 10% of the total award  
47 amount. (For example, if the grantee was awarded a \$45,000 grant, no more than \$4,500 of  
48 this total may be approved for eligible administrative and training costs.) Such

1 *administrative and training costs must be related to the FSS program and attributable to the*  
2 *PHA (not to the family).*

3  
4 i. Examples of eligible administrative expenses include, but are not limited to, mileage  
5 costs for visits to FSS families in relation to the FSS coordinator's case  
6 management/coaching functions and cost of FSS outreach materials.

7  
8 ii. Examples of ineligible administrative costs include, but are not limited to, security  
9 deposits, landlord incentives, and food and beverages.

10  
11 iii. Examples of eligible training expenses include, but are not limited to, training  
12 materials, and/or cost of registration for trainings related to case management, service  
13 coordination, and economic self-sufficiency.

14  
15 d. **Request to Use Funds for Administrative/Training Costs:** PHAs or tribes/TDHE seeking  
16 to use funds for these purposes must seek prior approval from their local HUD Field Office  
17 before the grant period closes. *If a PHA or tribe/TDHE submits a request to use funds for*  
18 *administrative and/or training costs during the first, second, or third quarter of the grant*  
19 *period, the PHA or tribe/TDHE will have until the end of the grant period to expend funds or*  
20 *funds will be recaptured at the end of the one-year grant period. If a PHA or tribe/TDHE*  
21 *submits a request to use funds for administrative and/or training costs during the last quarter*  
22 *of the grant period, the PHA or tribe/TDHE will have up to 3 months after the grant period to*  
23 *expend funds or funds will be recaptured.*

24  
25 i. Grantees requesting to use unexpended funds for administrative/training costs must  
26 also submit, to its local HUD Field Office, a narrative justification explaining the  
27 cause for the unexpended funds, the amount of funds requested, what and how the  
28 funds will be used, including how it is related to the FSS program and attributable to  
29 the PHA (not the family).

30  
31 6. Should any of the following conditions arise, grantees are required to submit in writing any changes  
32 to the previously-approved grant to the appropriate local HUD field office personnel:

- 33  
34 a. Any change in the scope, objective, or conditions of the program.  
35 b. Changes in any subcontracting, or otherwise obtaining the services of a third party to  
36 perform activities that are central to the purposes.  
37 c. Other changes that may adversely affect the program.

38  
39 7. Grantees needing to extend the term of their grant in order to fully accomplish their goals should  
40 request an extension in writing sixty calendar days prior to the grant termination date. This grant  
41 extension must also be pursuant to 2 CFR Part 200.309(d). The request must be submitted to the field  
42 office for review and approval. Extensions will generally only be granted if no funding is awarded to  
43 the grantee in the following year. The Grantee must also:

- 44  
45 a. Submit a narrative justification explaining why the extension is needed, how much  
46 additional time will be required, the circumstances that require the proposed extension,  
47 the work that will be conducted during the extension period, and the effect a denial would  
48 have on the program. The local HUD field office may request additional information or

1 documentation to clarify or verify the items included in the written narrative submitted by  
2 the grantee to support the extension.  
3

- 4 b. Have satisfied all special conditions of the grant agreement except those that would be  
5 fulfilled in the remaining period of the grant. This includes the performance and  
6 resolution of audit findings in a timely manner.

7 **Grantees should be aware that any extensions (other than those caused by HUD funding cycles)**  
8 **may result in a negative impact on the Past Performance review in future grant applications.**  
9

- 10 8. Any changes requested by the Grantee must be in writing (emails are acceptable). HUD will  
11 approve/reject requested changes as appropriate. Generally, HUD will approve such requests within  
12 30 days of submission. Approved changes will be reflected by an amendment to this Grant  
13 Agreement and any other documentation as directed by HUD. Amendments will become effective  
14 when the Grantee has electronically signed the amending documents.  
15
- 16 9. In general, if the Grantee's program is not implemented within **60 days of the grant start date (the**  
17 **start date is the date when the Notice of Award and Grant Agreement is signed by the Grantee)**,  
18 the Grantee must report in writing to the appropriate HUD field office of the steps taken to initiate the  
19 program, resulting changes to the timetable, the reason for the delay, and the expected starting date.  
20 Any timetable revisions as a result of the delay must be included for HUD approval. Renewal  
21 grantees are not subject to this implementation requirement. However, renewal grantees must start  
22 drawing down the 2017 funds within 30 days of the period of performance start date (see Article I,  
23 Number 4 above), unless the grantee justifies in writing to the appropriate HUD field office the delay  
24 in drawdown of funds. Also, see Sub-Article B, Number 3 below. **NOTE:** Failure to comply with  
25 this requirement may result in termination of this agreement and recapture of grant funds. **PLEASE**  
26 **NOTE:** All 2017 FSS grantees are considered renewal grantees.  
27
- 28 10. HUD may terminate funding if the Grantee demonstrates an unwillingness or inability to implement  
29 and maintain the program; does not use procedures that will minimize the time elapsing between  
30 drawdowns and disbursements of grant funds; does not adhere to agreement requirements or special  
31 conditions; engages in the improper award or administration of grant subcontracts; does not submit  
32 required reports; or produces unacceptable deliverables.  
33

#### 34 **SUB-ARTICLE B: FINANCIAL RESPONSIBILITIES**

- 35
- 36 1. Prior to initial drawdown of funds, all Grantees must have secured online access to the Internet as a  
37 means to communicate with HUD on grant matters. Applicants shall draw down funds using the  
38 electronic Line of Credit Control System (e-LOCCS)  
39
- 40 2. As applicable, the Grantee agrees to comply with the organizational audit requirements of OMB at 2  
41 CFR Part 200 including audit requirements. The final audit report must cover the entire period of the  
42 grant. The audit must be submitted to HUD no later than **30 days** after the grant is closed, covering  
43 the entire award period originally approved or amended. All other requirements of 2 CFR Part 200  
44 shall apply. For grantees where an audit is required, a single audit or a program-specific audit is  
45 acceptable. If a grantee chooses a single audit, the final audit report that includes this grant is due no  
46 later than **30 days** after the single audit is completed. *According to 2 CFR 200.501, grantees that*  
47 *expend less than \$750,000 in federal awards are exempt from the audit requirement, but records must*  
48 *be available for review or audit.*

1  
2 3. The Grantee shall minimize the time elapsing between the transfer of funds from HUD and the  
3 disbursement of funds. The HUD funds are to be made available based on actual need. The Grantee  
4 must make a drawdown *only* for incurred costs. Drawdowns in excess of need may result in special  
5 procedures for payments, or termination of the grant when there are persistent violations. Funds  
6 requisitioned through LOCCS must be disbursed within **three calendar days after receipt of funds**  
7 **drawdown.**  
8

9 **SUB-ARTICLE C: METHOD OF PAYMENT [FUNDS DRAWDOWN]**  
10

- 11 1. The Grantee may not draw down grant funds until all pre-conditions listed in the Notice of Award,  
12 this Grant Agreement, the NOFA or in the award letter, are completed by the grantee and verified by  
13 HUD.  
14
- 15 2. Payments of grant funds shall be through electronic funds transfer using e-LOCCS. Initial drawdown  
16 cannot be earlier than the start date of the grant term.  
17
- 18 3. **E-LOCCS Program Edits.**  
19
- 20 a. E-LOCCS will automatically perform a series of review edits (both generic and program  
21 specific) of each payment request. Failure of one of the program edits will cause the payment  
22 request to be referred to the HUD field office for review.  
23
  - 24 b. The HUD field office will complete the review. The request will remain in the system and  
25 further drawdowns will not be allowed until that review is complete and the drawdowns  
26 approved or rejected.  
27
  - 28 c. The Grantee shall immediately contact the HUD field office when there is a question  
29 regarding the request or when the request has been referred to the HUD program office for  
30 review. A request will be referred to the program office for review when:  
31
    - 32 i. There are requests for over 10% of total grant funds per calendar month;  
33
    - 34 ii. Failure to submit an annual HUD form SF-425 - *Financial Status Report*, as defined  
35 by this agreement and 2 CFR part 200. E-LOCCS shall not accept a request for funds  
36 if required reports from the Grantee are ten or more days overdue and will not accept  
37 future requests until the HUD field office confirms receipt and approval of the reports  
38 in e-LOCCS.  
39
    - 40 iii. If the Grantee repeatedly fails to submit required forms, e-LOCCS will be converted  
41 to a system in which the HUD Field Office will **manually** review each drawdown  
42 request prior to releasing funds to the Grantee.  
43

44  
45 **SUB-ARTICLE D: AUTHORIZED FUNDS BY BUDGET LINE ITEM NUMBER**  
46

- 47 1. Please see Article II, Sub-Article A, Number 5 above.  
48

- 1 2. The Grantee's budget consists of three Budget Line Items (*1868 and 1268 will begin as \$0 and will*  
2 *only be changed upon approval of a request See Article II, Sub-Article A, Number 5 above*):  
3

4 1168 – FSS Coordinator (salary & fringe)

5 1868 – Administrative Costs

6 1268– Training Costs  
7

8 **SUB-ARTICLE E: REPORTING REQUIREMENTS**  
9

10 The Grantee must evaluate its activities and submit a SF-425 to HUD. The SF-425 shall be submitted  
11 to the Grantee's area ONAP/Public Housing Director in the recipient's local HUD field office  
12 no later than January 30, 2019, unless granted an extension by HUD. The reporting period  
13 will cover the 2018 Calendar Year (1/1/2018-12/31/2018). Grantees must also ensure that  
14 reporting on Section 17 of the HUD-50058 is correct and up to date within the PIC system.  
15

- 16 1. HUD shall determine the Grantee's progress based upon a review of HUD-50058 Section 17 data  
17 submitted to PIC as well as compliance with financial and reporting requirements.  
18  
19 2. The HUD field office shall maintain official records on the Grantee's performance measures and its  
20 progress reports. However, the Grantee must also maintain such records, including the SF-425, HUD  
21 review, and/or evaluations.  
22

23 **SUB-ARTICLE F: ADMINISTRATIVE REQUIREMENTS**  
24

- 25 1. Grantees must comply with all current HUD program rules and regulations.  
26  
27 2. The Grantee shall maintain, and have access to, copies of documents relating to the award and  
28 administration of this grant for at least three years after final closeout date of the grant for inspection  
29 by HUD, the General Accounting Office, or their duly authorized representatives.  
30  
31 3. The accounting systems of the Grantee must ensure that HUD funds are not co-mingled with funds  
32 from other Federal, State, Tribal, or local government agencies or other HUD program funds. Funds  
33 specifically budgeted and/or received for one program may not be used to support or reimburse  
34 another. Where the Grantee's accounting system cannot comply with this requirement, the Grantee  
35 must establish a system to provide adequate fund accountability for each program for which it has  
36 been awarded funds. The Grantee's selection of depository facility (such as a bank for example)  
37 shall be compliant with Federal regulations and have insurance from the Federal Deposit Insurance  
38 Corporation or the National Credit Union Share Insurance Fund to insure the established account.  
39  
40  
41 4. The Grantee agrees to comply with the following requirements for which HUD has enforcement  
42 responsibility:  
43  
44 a. Administrative requirements of 2 CFR Part 200. These include procurement  
45 requirements, as applicable.  
46

- 1                   b. Grantees are required to comply with the Cost Principles set forth in 2 CFR Part 200,  
2                   Subpart E.  
3
- 4   5. Equal Opportunity Requirements. Grant funds must be used in accordance with the following:  
5
- 6                   a. The requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d)  
7                   (Nondiscrimination in Federally Assisted Programs) and implementing regulations issued  
8                   at 24 CFR Part 1.  
9
- 10                  b. The prohibitions against discrimination on the basis of age under the Age Discrimination  
11                  Act of 1975 (42 U.S.C. 6101-07) and implementing regulations at 24 CFR Part 146, and  
12                  the prohibitions against discrimination against handicapped individuals under section 504  
13                  of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24  
14                  CFR Part 8.  
15
- 16                  c. The requirements of Executive Order 11246 (Equal Employment Opportunity) and the  
17                  implementing regulations issued at 41 CFR Chapter 60.  
18
- 19                  d. For grantees using their funds to support residents of conventional Public Housing (i.e.  
20                  not Housing Choice Vouchers), the requirements of Section 3 of the Housing and Urban  
21                  Development Act of 1968, (12 U.S.C. 1701u) State that (1) to the greatest extent feasible,  
22                  opportunities for training and employment arising in connection with the planning and  
23                  carrying out of any project assisted with grant funds be given to low-income persons  
24                  residing within the unit of general local government or the metropolitan area (or non-  
25                  metropolitan county) as determined by HUD, in which the project is located; and (2) to  
26                  the greatest extent feasible, contracts for work to be performed in connection with any  
27                  such project be awarded to business concerns, including but not limited to individuals or  
28                  firms doing business in the field of planning, consulting, design, architecture, building  
29                  construction, rehabilitation, maintenance, or repair, which are located in or owned in  
30                  substantial part by persons residing in the same metropolitan area (or non-metropolitan  
31                  county) as the project.  
32
- 33   6. The regulations in 24 CFR 87, related to lobbying, including the requirement that the Grantee obtain  
34       certifications and disclosures from all covered persons.  
35
- 36   7. Drug-free Workplace Requirements (Grants) in 24 CFR 2424.  
37
- 38   8. Restrictions on participation by ineligible, debarred or suspended persons or entities at 24 CFR Part  
39       2424, Subparts A through J, which are applicable to contractors and subgrantees.  
40
- 41   9. Other applicable regulations.  
42
- 43   10. The Grantee's computer systems must operate in accordance with HUD's computer systems and  
44       software to facilitate any and all electronic documents for conversion to HUD computer systems and  
45       software. That is, when sending/transferring documents, e-mail, or CDs to HUD, the systems must be  
46       compatible so that HUD receives an exact copy.  
47

- 1 11. The Grantee's computer and information systems must be able to access HUD's website(s) so that  
2 data can be inputted as may be required by the grant; information can be retrieved; and funding  
3 through HUD's E-LOCCS system may be accessed.  
4

5 **SUB-ARTICLE G: GRANT CLOSEOUT**  
6

- 7 1. Code of Federal Regulations (CFR), 2 CFR Part 200 prescribes uniform closeout procedures for  
8 Federal cooperative agreements/grant agreements.  
9
- 10 2. It is the responsibility of the Grantee to comply in full with all closeout-reporting requirements and to  
11 submit closeout reports in a timely manner.  
12
- 13 3. The Grantee shall initiate project closeout within 30 days of the grant's termination date. At HUD's  
14 option, the Grantee may delay initiation of project closeout until the resolution of any HUD  
15 monitoring findings. If HUD exercises this option, the Grantee must promptly resolve the findings.  
16
- 17 4. The Grantee recognizes that the closeout process may entail review by HUD to determine compliance  
18 with the grant agreement. The Grantee shall cooperate with any and all reviews which may include  
19 making available records requested for on-site HUD inspection.  
20
- 21 5. Within **30 days** after the end date of the grant or any approved extension (revised end-date), the  
22 following documents must be submitted by the Grantee to the HUD field office:  
23
- 24 a. A certification of project completion which is a statement signed by the grantee.
  - 25
  - 26 b. A certification of compliance with all requirements of the grant agreement which is a  
27 statement signed by the grantee  
28
  - 29 c. **Financial Report (SF-425) (see Sub-Article E).** For FSS, the Grantee submits an SF-425  
30 for the 12-month period of the grant. This submission also serves as the grant's final report  
31 which is a cumulative summary of expenditures to date and must indicate the exact balance of  
32 unexpended funds. (The report shall cover the grant start date to the end of grant). When the  
33 final HUD form SF-425 is approved, the HUD field office will establish the amount due to  
34 HUD or cancel (recapture) any unused grant funds as applicable.  
35
- 36 6. When the HUD field office has determined to its satisfaction that the grant activities were completed  
37 and all Federal requirements were satisfied, the HUD field office will execute a closeout amendment  
38 to the Grant Agreement with the Grantee.  
39
- 40 7. The Closeout Agreement or clause will include the Grantee's agreement to abide by any continuing  
41 Federal requirements.  
42
- 43 8. Failure to submit the required financial report or any required audit report; or to resolve program,  
44 financial or audit issues, may result in a suspension or termination of any and/or all HUD grant  
45 payments.  
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## SUB-ARTICLE H: DEFAULT

1. **Definition.** A default under this Agreement shall consist of *using grant funds for a purpose other than as authorized by this agreement*; any noncompliance with legislative, regulatory, or other requirements applicable to this Agreement; any other material breach of this Agreement; or any material misrepresentation in the application submissions.
2. **HUD Preliminary Determination of Default.** If HUD makes an initial determination that the Grantee is in default, HUD will give the Grantee written notice of this determination and of the corrective or remedial action the Grantee must take in order to avoid default. The Grantee shall have an opportunity to demonstrate, per HUD Handbook 2210.17, and on the basis of substantial facts and data, that it is not in default, or that the proposed corrective or remedial action is inappropriate or unnecessary, before HUD implements the remedial action.
3. If HUD determines that there is an imminent probability that the Grantee will continue to expend grant funds contrary to this agreement unless HUD takes immediate action, HUD may, at the time of written default notification to the Grantee, order a remedial action appropriate to prevent such expenditure.
4. Corrective or remedial actions that HUD may order under this Agreement include, but shall not be limited to, the following:
  - a. Requiring the Grantee to prepare and follow a HUD approved schedule of actions and/or a plan for properly completing the activities approved under the grant;
  - b. Discontinuing drawdowns under e-LOCCS and prohibiting payment or reimbursement for any grant activities or, if more appropriate, for only those activities affected by the default; and
  - c. Requiring reimbursement by the Grantee to HUD for grant amounts used improperly.
5. **Grantee Failure to Remedy Default.** Where HUD determines that remedial actions required by HUD to be taken by the Grantee have not been undertaken as instructed, or will not be effective in correcting the default and to prevent further default, HUD may take the following additional corrective and remedial actions under this Agreement:
  - a. Put a hold on draws from e-LOCCS pending HUD manual review and approval of every drawdown request and permit draws only on a reimbursement basis.
  - b. Suspend the Grantee's authority to make drawdowns for affected activities for no more than ninety (90) days pending action to cure the default and to prevent further default by the Grantee, or pending final remedial action by HUD.
  - c. Reduce the grant in the amount affected by the default;
  - d. Terminate the grant and initiate closeout procedures;

- 1  
2 e. Take action against the Grantee under 24 CFR Part 24 with respect to future HUD or  
3 Federal grant awards;  
4  
5 f. Require reimbursement by the Grantee to HUD for grant amounts used improperly; and  
6  
7 g. Take any other remedial action legally available.  
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9 **SUB-ARTICLE I: GRANT MODIFICATION OR TERMINATION**  
10 **BY AGREEMENT BETWEEN HUD AND GRANTEE**

- 11  
12 1. HUD and the Grantee may mutually agree to modify this agreement as to time, cost, or activity by  
13 using the Notice of Award and/or grant agreement in whole or in part, at any time.  
14  
15 2. HUD or the Grantee, in accordance with 2 CFR Part 200 may terminate the agreement for  
16 convenience, after 30 days advance written notice, if it is in the best interest of any of the parties. The  
17 termination notice must specify the reason for the termination action and the proposed effective date.  
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20 **SUB-ARTICLE J: DISPUTES**

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22 During the performance of this grant, disagreements may arise between the Grantee and HUD on various  
23 issues. In accordance with 2 CFR 200.341, if a dispute concerning a question of fact arises, after hearing  
24 from the Grantee, the HUD Field Office Director shall prepare a final decision, taking into account all  
25 facts and documentation presented. The decision shall be mailed to the Grantee. The Grantee may appeal  
26 any decision by letter to the local HUD Field Office Director, Public Housing Division/Office of Native  
27 American Programs of the HUD office administering this Grant Agreement. The decision of the Field  
28 Office Director shall be final.  
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33 **ARTICLE III: GRANTEE PERFORMANCE**

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35 HUD will judge performance based upon whether the Grantee achieves the agreed upon activities within  
36 grant time limits and within budget and whether the Grantee has produced tangible results through the  
37 implementation of grant activities.  
38

39 **ARTICLE IV: GRANTEE MISREPRESENTATION**

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