

THIS AGREEMENT FORMAT
MUST BE REPRODUCED
LOCALLY

SCHEDULE OF TERMS AND CONDITIONS

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1. DEFINITIONS

- A. The term "Grant" as used herein refers to a grant instrument.
- B. The term "Grantee" as used herein refers to the recipient of funding under the Congregate Housing Services Program (CHSP).
- C. The term "Grant Officer" means the official authorized by HUD to execute and/or administer this grant.
- D. The term "Government Technical Representative" (GTR) means the HUD individual who is responsible for the technical administration of the grant, the evaluation of performance under the grant, the acceptance of reports, and other such

specific responsibilities as may be stipulated in the grant.

- E. The term "Head of the Awarding Activity (HAA)" means a HUD official, at the Assistant Secretary level or equivalent, with authority for policy, award, and administration of discretionary grants within one or more HUD organizational elements.

2. PERIOD OF PERFORMANCE

The Grantee shall provide all services hereunder for the period of sixty (60) months from the effective date of award. The Grantee agrees and shall perform work for the first twelve (12) months, and subsequent grant period(s) up to the total amount allowable, but shall not exceed the total amount obligated in accordance with the approved budget as set forth under the grant for the applicable periods.

3. ESTIMATED COST AND PAYMENT, MATCH REQUIREMENT AND PAYMENT UNDER LOCCS/VRS:

- A. The CHSP is a cost sharing reimbursement program. The Grantee shall be reimbursed quarterly for allowable costs incurred in the performance of services under this grant in an amount Not-to-Exceed the total obligated amount for the five year grant funding period (\$_____).

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Reimbursements shall be consistent with the approved budget as specified and obligated per grant period. The Grantee shall be reimbursed for all services performed for each subsequent grant funding period(s); and shall not be paid in excess of the total amount obligated for the approved budget as set forth under the grant. The Government shall not be obligated to reimburse the Grantee for costs incurred in excess of the approved yearly budget and/or the five year budget.

- B. In the event the Grantee does not satisfy the annual "match" requirement, the Grantee shall promptly notify the GTR in writing with a request for consideration of a revised budget approval. The Grant Officer will evaluate such request and promptly notify the Grantee in writing of approval, disapproval, or if HUD's share will be reduced proportionately to reflect the "undermatch." Therefore, if the annual "match" requirement is unsatisfactory in accordance with The specified grantee budget, the Government may (1) reduce its share proportionately to reflect the "undermatch", or (2) modify budget to reflect changes which may be appropriate.
- C. The Government reimbursement amount will constitute a maximum of 40 percent (40%) of the Grantee's total for the

grant period, plus a monitoring fee, if appropriate, subject to satisfactory performance and compliance with program requirements. The remaining sixty percent (60%) of the Grantee's program cost shall be provided through at least fifty percent (50%) in Grantee's match and at least ten percent (10%) in participant fees.

D. The Grantee shall be reimbursed for costs incurred in an amount Not-to-Exceed the obligated amount shown in Block # 15 HUD-1044 of the face page of the grant agreement. Funds shall be provided on a cost reimbursable basis.

E. AMOUNT OF MATCH OR COST SHARING REQUIREMENT

1). The Grantee shall be reimbursed by HUD for a maximum of forty percent (40%) or \$_____ of allowable costs incurred in the performance of this grant. The Government is not liable to reimburse the Grantee beyond the Not-to-Exceed amount, and expenses which exceed this amount shall be the responsibility of the Grantee.

2). The Grantee agrees to support the cost-sharing requirement and bear without reimbursement by HUD at least fifty percent (50%) or \$_____ of the total allowable costs.

The Grantee's share-may consist of in-kind (which is limited to 10% of the total match), cash, staff imputed value and volunteer time. Records must be kept to support all sources of match from the Grantee and/or other third party organizations. Refer to Attachment E of OMB Circular A-110 and Attachment F of OMB Circular A-102 for additional information.

3) HUD shall provide an additional one percent (1%) in the amount of \$_____ over the total grant period for HUD's directed administrative add-on for the monitoring of multi-site projects. This may be utilized at a rate of approximately 20% per grant year.

4). Fees paid by eligible participants as identified under Section 700.240 shall be in accordance with the Cost Distribution provision in Section 700.235 of the Joint Common Rule.

F. PAYMENT UNDER LOCCS/VRS

1). The grantee shall receive reimbursement only through the Line of Credit Control System Voice Response System (LOCCS/VRS). The LOCCS/VRS Authorization Form (HUD-27054) must be completed and returned to HUD to begin the payment process.

The grantee shall complete and submit the Congregate Housing Services Program payment voucher (HUD-90198) as required to document the telephone request for drawdown.

- 2). The voucher must be submitted to the field office showing the breakout of each line item for which funding, is requested within 5 working days of requesting approval of the voucher by telephone.
- 3). The Grantee shall also submit the CHSP Financial Status Report (SF-269) which provides a program breakout of the costs claimed for each period payment was requested. The reporting periods under CHSP are October 1-March 31 and April 1-September 30.

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- 4). The LOCCS/VRS payment system is programmed to delay grantee payment if the SF-269 for the October 1-March 31 period is unacceptable or not submitted in a timely manner.

Additionally, the Grantee's payment will be delayed by the LOCCS/VRS if the GTR fails to receive a April 1-September 30 SF-269 which is sufficiently complete and timely to permit the GTR to make an accurate assessment of the grantee's actual expenditures during the grant year. In both instances, the GTR/GTM must key in approval for payment to the LOCCS/VRS system after the Grantee submits an approved report(s).

- 5). If the Grantee's reimbursement request exceeds the approved funding amount for that annual grant period, it may be necessary for the Grant Officer to process an amendment to the grant to increase the amount of funding or for the grantee to request a lesser amount. In either instance, reimbursement will be delayed until an adjustment is made and/or the GTR/GTM keys in approval for the LOCCS/VRS to release the payment.
- 6). In the event the Grantee, during the performance of this grant, elects to designate a different financial institution for the receipt of any payments made using electronic funds transfer procedures, notification of such change and the related information must be received by the appropriate HUD official 30 days prior to effective date of the change.
- 7). MAINTENANCE OF FINANCIAL RECORDS

The Grantee shall establish a separate bank account and records per grant. For those Grantee's with multiple

projects, there must be separate records for each project. The Grantee shall not co-mingle any funds computed under this grant with any other existing or future operating accounts.

- 8). REQUEST FOR REIMBURSEMENT FOR SINGLE SITE/PROJECT (OWNED BY GRANTEE): Each voucher (HUD-90198) shall clearly set forth the grant number shown in Block 3 of the grant instrument (Form HUD 1044) and information requested on the HUD-90198 including (1) Grantee's voice response number assigned by HUD; (2) Grantee organization's TIN; and, (3) name and telephone number of the authorized person who shall

certify that the services have been performed are in accordance with the grant.

- 9). PREPARATION OF PAYMENT VOUCHER FOR MULTIPLE SITES/PROJECTS UNDER ONE GRANT, OR WHEN GRANTEE IS NOT THE OWNER OF THE PROJECT IN A GRANT: If the grantee has more than one project, or is not the owner of the single project in the grant, grantee shall set a submission timetable for all sites/projects to submit a project-specific voucher to the Grantee. All project payment vouchers must be for the same quarterly time period.

When the Grantee has received all payment vouchers from the individual sites/projects, grantee shall prepare one aggregated voucher for submission as indicated above. This submission must be on a regular schedule and represent sufficient dollars for all sites for the time period covered.

- 10). GRANTEE SIGNATURE AUTHORITY: The voucher must be signed by the appropriate authorized official. The Grantee must submit documentation to the Grant Officer, GTR, and in the HUD Field office advising who is authorized to sign the payment voucher in place of the Grantee, updating this information as necessary.

4. SCOPE OF WORK (COST-REIMBURSEMENT)

Work performance under this grant shall cover the following project site(s):

Project Name

The grantee shall furnish all necessary personnel, materials, services, equipment, facilities (except as otherwise specified herein) and otherwise do all things necessary for or incidental to the performance of the work set forth under this agreement.

This grant award contains the original application which is incorporated into this grant instrument by reference; and any amendments thereto.

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A. START-UP RESPONSIBILITIES

- 1). Develop a list of all positions, and write job descriptions for each staff position within 30 days of execution of the grant agreement, and maintain a file copy with the project records. Hire staff as necessary.
- 2). Apply for approval as a retail food store under Section 0 of the Food Stamp Act of 1977 as implemented through 7 CFR Section 271 within 30 days of execution of the grant agreement; and maintain a file copy with project records. If approved, Grantee shall accept food stamps as partial or full payment for meals provided under CHSP.
- 3). Request agricultural commodities made available by the U. S. Department of Agriculture under 7 CFR Section 250, for use in meal services within 30 days after execution of the grant agreement; and, and maintain a file copy of the request with project records. If approved, the grantee shall utilize surplus commodities as part of the meals program.
- 4). Appoint a Professional Assessment Committee (PAC) as described in Section 700.225 of the Joint Common Rule within 30 days of execution of grant agreement or secure an agreement with a community agency as an alternative to setting up a PAC. If a community agency is used, it must conform to Section 700.225 of the Common Rule. Resumes for each PAC member must be kept on file in project records and updated as appropriate.
- 5). Develop PAC operating procedures with application/intake, screening and participatory agreement forms, including an appeals process and transitioning out procedures according to the guidelines in Sections 700.225 of the CHSP Interim Common Rule within 30 days after execution of the grant agreement, and file such procedures with project records.
- 6). Screen applicants for basic eligibility and obtain complete PAC assessments. Develop supportive service plans and establish fees for participants accepted in the program.

- 7). Establish record systems and applicant/participant case files according to HUD requirements. All files related to applicant/participants must be secured and kept in a location accessible ONLY to the service coordinator, and Grantee program/ project management to the extent necessary.

Any project which subcontracts the service coordinator function must include in their third-party subcontract an agreement for that third party. The agreement shall be secured and kept with program records, and accessible to HUD upon request.

The contract must address the following:

- time period covered,
 - number of hours to be worked weekly,
 - the name of the individual assigned to the responsibility,
 - the rate of pay and related expenses for the work to be performed,
 - a description of the work to be performed, consistent with Section D of the FY 1993/94 program Notice, and,
 - location of office and meeting space and the location/security of records and their availability to HUD.
- 8). Each participant accepted into the program must sign a participatory agreement. It must be signed by the proposed program participant prior to his/her receiving services under CHSP.

The participatory agreement must cover the period of the agreement, the participant's voluntary acceptance of services provided under the CHSP, includes the fees and the participant's agreement to pay the service fees as calculated, and clearly state that fees may no longer be charged during the current grant period once they have reached 20t of adjusted gross income for that year. The agreement must be signed when a new participant enters the CHSP, before services are provided. Participants must renew and sign the agreement annually for each subsequent year at the time of income recertification.

The original of the agreement is kept in the participant's folder and a copy is provided to the participant.

- 9). Execute subgrants or subcontracts with service providers, start-up in-house services and require service coordinators to implement service plans.
- 10). Submit HUD-90198 for reimbursement.
- 11). Other items as may be required by HUD.

B. ON-GOING ADMINISTRATIVE RESPONSIBILITIES

The Grantee must also ensure that the following activities are implemented:

- 1). Require the PAC to perform initial and regular assessments and updating the supportive service plans of all CHSP participants.
- 2). Require the service coordinator to monitor the individual service plans of all CHSP participants. The service coordinator shall coordinate the work of service providers to assure that services are provided in accordance with the individuals service plan. Establish linkages with all area. service providers; and, maintain an updated directory of providers available for the staff and program participants.
- 3). Maintain case files for each program participant and make them available to HUD, Field Office staff, and others, as appropriate, upon request.
- 4). Maintain all appropriate accounting and staff timekeeping records and make them available to HUD Field Office staff and others, as appropriate, upon request.
- 5). Monitor Grantee's staff by providing on-site services, as appropriate, and ensure that the services are provided.
- 6). Require that the service coordinator inform residents of application procedures, availability of service and residents' options, and responsibilities.

- 7). File and submit the HUD-90198 "LOCCS/VRS Congregate Housing Services Program" voucher, quarterly for reimbursement under the LOCCS/VRS payment system.

- 8). Perform self-assessment of program activities.
- 9). Complete and transmit the SF-269,, "Financial Status Report," bi-annually, no later than 30 days after the end of each bi-annual reporting period. Reporting periods ending March 31 and September 30.
- 10). Obtain competitive quotes of all subcontracts in procuring service providers, as appropriate.
- 11). Submit an annual report and any other items or reports per year of the grant, including any such documentations as HUD may require.
- 12). Obtain dietician's certification annually that states:
 1. Each meal provided under this program shall meet the daily minimum daily dietary allowances, and that; and,
 2. At least one meal per day, seven days a week, shall be served hot in a community setting.

This certification shall be filed annually with project records.

- 13). Other activities as requested or required by GTR.

C. REPORTING REQUIREMENTS

The Grantee shall submit a quarterly CHSP Payment Voucher (HUD-90198), a bi-annual Financial Status Report (SF-269); an annual report (HUD-90006), and, any other reports or supporting documents to the GTR in such form as the GTR may require.

1. CHSP PAYMENT VOUCHER (HUD-90198): The HUD-90198 must be submitted within 5 days of requesting drawdown by telephone.

If the Grantee has more than one project site, or is not the owner of the single project site, the Grantee shall designate a submission timetable for all project sites to submit a project specific HUD-90198 to the Grantee. Grantee

shall then submit one aggregated submission as specified in accordance with the approved budget(s) to HUD which represents sufficient dollars for all sites.

The aggregated charges of the billing period shall include the following:

- the bi-annual reporting period the services were rendered;
- the charge for each line item in which costs have been incurred;
- total charges for the billing period; and,
- a statement signed by a responsible official of the Grantee identical to the following:

I hereby certify that all the information stated herein, as well as any information provided in any accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012, 31 U.S.C. 3729, 3802)

 Name & Phone Number
 (Including area Code) of
 the Authorized Person
 who completed the form

 Grantee's Signature/Date of Request

2. BI-ANNUAL FINANCIAL REPORT (SF-269): The SF-269, which accounts for all the grantee's disbursements and accrued bills under the CHSP during the reporting period, must be submitted no later than 30 days after the end of each reporting period except the final SF-269 is due 90 days after the term of the grant ends. The bi-annual SF-269 must also include information identifying the Recipient's match to include any in-kind contributions. The semi-annual reporting periods for the CHSP are: October 1-March 31 and April 1-September 30.

The SF-269 will be reviewed by the GTR to assess actual expenditures per grant period, and to determine whether the reported expenditures are valid, complete, and in compliance with CHSP program requirements. The Grantee's failure to

to submit a timely and accurate SF-269 for the second bi-annual period (April 1-September 30) may result in payment being delayed until the GTR approves the SF-269 and keys in approval and/or reduction of HUD's share of the agreement amount for subsequent years.

3. ANNUAL REPORT (HUD-90006): The annual report, (HUD-90006) is used to provide statistical data regarding program participants and services shall include at least:

- The number and types of people served including age, sex, and ethnicity;
- Number of people entering the program from outside the project and from where they came;
- Number of people transitioning out of the program, including a written statement of the reasons for the transition, and identifying their new location;
- The amount, types, and cost of services provided and the source of that support; and,
- A short narrative addressing the workload of the PAC and the service coordinator, and any problems thereof.

This report is submitted with the April 1-September 30 SF-269.

D. EVALUATION

HUD will conduct a long-term evaluation of the CHSP. The Grantee shall cooperate with the program evaluators regarding access to grantee records, program participant's records, and any additional data collection items necessary, if selected to participate in any study(ies). Grantee will also facilitate access to participants themselves and will encourage them to participate in any such evaluations and/or self assessment process that the grantee implements.

E. GRANTEE RECORDKEEPING REQUIREMENTS

CHSP files for grants with a single project must contain all the items in Sections 1, 2, and 3 below.

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In cases where the grantee is not the project owner, e.g., state unit on aging, or has more than one project, grantee files must contain all of the items in Section 1. Individual project site files must contain all items in Sections 1, 2 and 3, below.

In the event of a PHA/IHA with multiple sites, information listed below may be kept at the administrative offices, if a central source provides all supportive services, or at both the administrative office and the individual sites, if the services are run independently at each site.

1. BASIC GRANTEE INFORMATION

- a. The grant application and any subsequent

amendments.

- b. A conformed copy of the grant document and any subsequent amendments.
- c. Sequential copies of all SF-269s and HUD-90198s.
- d. Copies of all annual reports, program audits, and correspondence to HUD offices.
- e. Copies of all requests to HUD offices, for action (including annual budgets, reports, program amendments, etc.).
- f. Copies of on-site reviews sent to the Grantee by HUD offices, and the Grantee response.
- g. Copies of PAC procedures, the appeals process, agreements with community agencies, if appropriate, and the service coordinator, contract, if appropriate.
- h. Annual certification from the dietician regarding the meals program.
- i. Other relevant materials, as appropriate.

2. APPLICANT AND PARTICIPANT INFORMATION:

a. APPLICANT FILES:

- 1. Screening form
- 2. Application/intake form

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- 3. Information on all referrals to/from community agencies, if the individual is not accepted into the CHSP.

b. PARTICIPANT FILES:

- 1. PAC assessment/reassessments
- 2. Fee scale computation
- 3. Service Plan
- 4. Current, signed, Participatory Agreement
- 5. Results of all monitoring and agency follow-up
- 6. Notes on meetings with client/family

7. Information related to any reports of or resolution, as appropriate.

3. ACCOUNTING AND TIMEKEEPING RECORDS

All recipient organizations must report and identify program income related to projects financed fully or partial with Federal funds, required under 24 CFR 85.20 and OMB Circular A-110 apply as applicable to recipients. Refer to Article 19, Uniform Administrative Requirements for additional information.

4. CONFIDENTIALITY OF RECORDS:

All files related to applicant/participants must be secured and accessible ONLY to the service coordinator, and to the Grantee program/project management to the extent necessary, and HUD upon request.

Any project which subcontracts the service coordinator function must include in their third-party subcontract an agreement for that third party. The subcontract must be secured and maintained in project records as required by HUD, and accessible to HUD upon request.

F. MEAL SERVICE STANDARDS: The Grantee (or project if different) shall plan for and provide meals which are wholesome, nutritious and meet a minimum of one-third of the minimum daily dietary allowances as established by the Food and Nutrition Board of

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of the National Academy of Sciences-National Research Council, or state or local standards, if such standards are greater.

The Grantee must maintain and file in project records an annual certification prepared and signed by a registered dietician which states that each meal meets the minimum daily dietary allowances, as described above, and that at least one meal daily is served hot in a congregate setting.

G. Monitoring of Multi-site Projects:

A State, Indian Tribe or unit of general local government with more than one project in a grant must perform monitoring responsibilities for CHSP activities of funded sites and provide technical assistance as requested by the funded site or required by HUD or the GTR.

Monitoring includes at least one on-site review of all project sites during the first year, and subsequent annual reviews to at least one site thereafter, unless problems are

evidenced, necessitating additional reviews. HUD shall provide an additional amount of one percent (1%) over the total grant budget as an administrative expense for monitoring the sites.

5. SPECIAL CHSP PROVISIONS

A. PARTICIPATORY REQUIREMENTS

- 1). Under this grant, the Grantee shall serve up to the maximum number of participants at any one time as indicated for the following project(s):

Project Name	No. of Participants
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- 2). The Grantee shall prepare a participatory agreement for each participant to sign; The participatory agreement must cover the period of the agreement, the participant's voluntary acceptance of services provided under the CHSP,

includes the fees and the participant's agreement to pay the service fees as calculated, and clearly state that fees may no longer be charged during the current grant period once they have reached 20% of adjusted gross income for that year. The agreement must be signed when a new participant enters the CHSP, before services are provided. Participants must renew and sign the agreement annually for each subsequent year at the time of income recertification.

B. SPECIAL PROCEDURES REGARDING THE PROFESSIONAL ASSESSMENT COMMITTEE (PAC)

- 1). PAYMENT TO PAC MEMBERS: The Grantee shall not reimburse any PAC member from CHSP funds for any time spent in performing his/her duties.
- 2). CONFIDENTIALITY OF RESIDENT RECORDS: The Grantee, or project if different, shall develop procedures for protecting the privacy rights of residents applying for or receiving services under the CHSP. To ensure the confidentiality of medical records, personal records, or other private information, all documents and written information pertaining to individual applicants and/or participants shall be kept in secured files accessible only to the Professional Assessment Committee, service coordinator and specified members of the management staff, HUD officials, and in case of appeal, the Hearing Officer or review body.

Release to any other individual including the program evaluators shall require the written consent of the

individual to whom the records pertain, unless State or local law requires otherwise. The Grantee, or project if different, shall establish procedures by which residents and/or participants consent in writing to the release of personal files prior to any such release.

The intended use of the information shall be clearly described in the consent document. The Grantee, or project if different, shall also establish procedures for disclosing to an individual his/her records.

- 3). PAYMENT FOR ASSESSMENTS: CHSP funds shall not be used to pay for assessments of individuals in the CHSP.

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- 4). PROCEDURES FOR CHSP PARTICIPANT SELECTION: The Grantee, or project, shall establish procedures to ensure that every resident of the housing project is afforded an opportunity to apply to participate in the CHSP. The grantee, or project, shall provide a personal notice to each project resident describing the nature of the program, the services to be provided, schedule of costs, conditions of eligibility, and an invitation to apply on no less than an annual basis.

The project must establish a written CHSP waiting list, if appropriate. The grantee, or project if different, shall also develop procedures to insure that every interested resident can apply for participation in the CHSP. Such procedures shall include assistance in completing an application and expeditious processing by the service coordinator and PAC.

- 5). DUE PROCESS/RIGHT OF RESIDENT APPEAL: The Grantee, or project if different, shall establish a procedure for hearing appeals from individuals denied participation in or terminated from the CHSP within 30 days of grant execution. The appeals procedure may consist of an informal settlement or hearing. The appeals procedure is subject to approval by HUD. The Grantee shall maintain a copy of the resident appeal process on file the project records.

6. BUDGET

The Grantee shall incur expenses in accordance with the specified budgets for each grant period as set forth under Attachment_____ of this agreement. Any resulting budget changes will be issued by an amendment signed by the Grant Officer and incorporated into the grant agreement.

7. ALLOWABLE COST

For the performance of the work under this instrument, HUD shall reimburse the grantee for costs incurred (hereafter referred to as "allowable costs") which are determined by the Grant Officer to be allowable, allocable and reasonable in accordance with the following cost principles*:

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- a. For colleges and universities: OMB Circular A-21.
- b. For State and local Governments: OMB Circular A-87, A-128, and 24 CFR Part 85.
- c. For other nonprofit organizations: OMB Circular A-110, A-122, and A-133.
- d. For all other grantees, Federal Acquisition Regulation, Subpart 31.2.

* The revised version of these documents will be effective on the date of award.

8. CONDUCT OF WORK

- (a) During the effective period of this grant, the Government Technical Representative and/or the Government Technical Monitor identified in Block 9 of the cover page shall be responsible for monitoring the technical effort of the grantee, unless the grantee is notified in writing by the Grant Officer of a replacement.
- (b) Only the Grant Officer has the authority to authorize deviations from this grant, including deviations from the Statement of Work. In the event the Grantee deviates without written approval of the Grant Officer, such deviation shall be at the risk of, and any costs related thereof, shall be the responsibility of the Grantee.

9. INSPECTION AND ACCEPTANCE.

Inspection and acceptance of all but the final products may be accomplished by the Government Technical Monitors (GTMs), or designee. Final acceptance shall be accomplished by the Government Technical Representative (GTR) or designee.

10. LIMITATION ON CONSULTANT PAYMENTS

As required by HUD's Appropriations Act, salary payments to consultants under this instrument shall not exceed the equivalent of the maximum daily rate paid to level IV of the Executive Schedule for Federal Employees. This limitation refers to consultants hired through the Grantee's personnel system, but not to consultants who perform as independent contractors.

11. AMENDMENTS

This grant may be modified at any time by a written amendment. Amendments which reflect the rights and obligations of either party shall be executed bilaterally (the Grant Officer and the Grantee). Administrative amendments, such as changes in appropriation data, may be issued unilaterally by the Grant Officer.

12. DISPUTES

During performance of the grant, disagreements may arise between the Grantee and the Government under the grant agreement. If a dispute concerning a question of fact arises, the Grant Officer shall prepare a final decision, taking into account all facts and documentation presented. The decision shall be mailed to the grantee. The grantee may appeal the decision within thirty (30) days to the Director, Office of Procurement and Contracts.

13. DRUG-FREE WORKPLACE

- 1). By signing this grant agreement, the grantee is providing the certification set forth below.
- 2). The certification set forth below is a material representation of fact upon which reliance was placed when HUD determined to award the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act. HUD shall seek any remedies available to the Federal Government, and may take action authorized under the Drug-Free Workplace Act.
- 3). Workplaces need not be identified on the certification. If known, they may be identified in the grant application. If the grantee did not identify the workplaces at the time of application, or upon award, the grantee must keep the identity of the workplaces) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the Grantee's drug-free workplace requirements.
- 4). Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place.

Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while

in operation, State employees in each local unemployment office, performers in concert halls or radio studios).

- 5). If the workplace identified to HUD changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question.
- 6). Definitions of terms in the Non-procurement Suspension and Debarment common rule (24 CFR Part 24) and Drug-Free Workplace common rule apply to this certification.

Certification Regarding Drug-Free Workplace Requirements

The Grantee certifies that it will or will continue to provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing a drug-free awareness program to inform employees about --
 - (1) the dangers of drug abuse in the workplace;
 - (2) the grantee's policy of maintaining a drug-free workplace;
 - (3) any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) the penalties that may be imposed upon employees for drug abuse violations occurring in the Work-place;
- (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will --

- (1) abide by the terms of the statement; and
- (2) notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

- (e) Notifying HUD in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction.

Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working. Notice shall include the identification number(s) of each affected grant;

- (f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted --

- (1) taking appropriate personnel action against such ban employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

- (2) requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

Check if there are workplaces on file that are not identified here.

14. LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS OVER \$100,000)

- (a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (1) The awarding of any Federal contract;
- (2) The making of any Federal grant;
- (3) The making of any Federal loan;
- (4) The entering into of any cooperative agreement; and,
- (5) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before, an officer or employee, of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

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- (1) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (2) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (3) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (4) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company,

association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Reasonable compensation" means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

"Recipient," as used in this clause, includes the grantee or cooperating party and all subgrantees at any tier. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed" means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory of possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

(b). Prohibition.

(1) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) The prohibition does not apply as follows:

(i) Agency and legislative liaison by Own Employees.

(A) The prohibition on the use of appropriated funds, in paragraph (1) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal action.

(B) For purposes of paragraph (A) of this section, providing any information specifically-requested by an agency or Congress is allowable at any time.

(C) For purposes of paragraph (A) of this section, the following agency and legislative liaison activities are allowable at any time only where they are not related to a specific solicitation for any covered Federal action:

(i) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,

(ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(D) For purposes of paragraph (A) of this section, the following agency and legislative liaison activities are allowable only where they are prior to formal solicitation of any covered Federal action:

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(i) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(ii) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and

(iii) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.

(E) Only those activities expressly authorized by paragraph (i) of this section are allowable under paragraph (i).

(ii) Professional and technical services by Own Employees.

(A) The prohibition on the use of appropriated funds, in paragraph (1) of this section, does not apply in the case of

payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, cooperative agreement, or loan or an extension, continuation, renewal, amendment, or modification of a Federal contract, grant, cooperative agreement, or loan, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal contract, grant, cooperative agreement, or loan or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal contract, grant, cooperative agreement, or loan.

(B) For purposes of paragraph (A) of this section, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.

(C) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(D) Only those services expressly authorized by paragraph (ii) of this section are allowable under paragraph (ii).

(iii) Reporting for Own Employees.

No reporting is required with respect to payments of reasonable compensation made to regularly employed officers or employees of a person.

(iv) Professional and technical services by Other than Own Employees.

(A) The prohibition on the use of appropriated funds, in paragraph (1) of this section, does not apply in the case of any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action, if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal contract, grant, cooperative agreement, or loan or for meeting requirements imposed by or pursuant to law as a condition for receiving that. Federal contract, grant, cooperative agreement, or loan.

(B) For purposes of paragraph (A) of this section, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.

(C) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(D) Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(E) Only those services expressly authorized by paragraph (iii) of this section are allowable under paragraph (iii).

(c) Disclosure.

(1) Each person who requests or receives from an agency a Federal contract, grant, cooperative agreement, or loan shall file with that agency a certification, set forth in this solicitation that the person has not made, and will not make, any payment prohibited by paragraph (b) of this section.

(2) Each person who requests or receives from an agency a Federal contract, grant, cooperative agreement, or loan shall file with that agency a disclosure form, Standard Form-LLL, "Disclosure of Lobbying Activities," if such person has made or has agreed to make any payment using non-appropriated funds (to include profits from any covered Federal action), which would be prohibited under paragraph (b), of this clause if paid for with appropriated funds.

(3) Each person shall file a disclosure form at the end of each calendar quarter in which there occurs any event that

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requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under paragraph (2) of this section. An event that materially affects the accuracy of the information reported includes:

(i) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or

(ii) A change in the Persons or individuals influencing or attempting to influence a covered Federal action; or

(iii) A change in the officer(s), employees, or Member(s) contacted to influence or attempt to influence a covered Federal action.

(4) Any person who requests or receives from a person referred to in paragraph (1) of this section a subcontract exceeding \$100,000 at any tier under a Federal contract, grant, cooperative agreement, or loan shall file a certification, and a disclosure form, if required, to the next tier above.

(5) All disclosure forms, but not certifications, shall be forwarded from tier to tier until received by the person referred to in paragraph (1) of this section. That person shall forward all disclosure forms to the agency.

(d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.

(e) Penalties.

(1) Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.

(2) Any person who fails to file or amend the disclosure form to be filed or amended if required by this clause, shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

(3) Contractors and recipients may rely without liability on the representations made by their subcontractors in the certification and disclosure form.

(f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or

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or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

15. LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS UNDER \$100,000)

(a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (1) The awarding of any Federal contract;
- (2) The making of any Federal grant;
- (3) The making of any Federal loan;
- (4) The entering into of any cooperative agreement; and,
- (5) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (2.5 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

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"Officer or employee of an agency" includes the following individuals who are employed by an agency:

(1) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;

(2) A member of the uniformed services as defined in section 202, title 18, U.S.C.;

(3) A special Government employee as defined in section 202, title 18, U.S.C.; and,

(4) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Reasonable compensation" means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

"Recipient" includes all contractors, subcontractors at any

tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed" means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipts of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

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"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory of possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibition.

(1) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) The prohibition does not apply as follows:

(i) Agency and legislative liaison by Own Employees.

(A) The prohibition on the use of appropriated funds, in paragraph (1) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal action.

(B) For purposes of paragraph (b) (2) (i) (A) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.

(C) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

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(D) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:

(1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.

(E) Only those activities expressly authorized by subdivision (b) (2) (i) (A) of this clause are permitted under this clause.

(ii) Professional and technical services.

(A) The prohibition on the use of appropriated funds, in subparagraph (b)(1) of this clause, does not apply in the case of -

(1) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.

(2) Any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal

action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(B) For purposes of subdivision (b)(2)(ii)(A) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.

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(C) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(D) Only those services expressly authorized by subdivisions (b)(2)(ii)(A)(1) and (2) of this section are permitted under this clause.

(iii) Selling activities by independent sales representatives.

The prohibition on the use of appropriated funds, in subparagraph (b)(1) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:

(A) Discussing with an agency (including individual-demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and

(B) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(c) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.

(d) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to a civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.

(e) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause

will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

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16. ORDER OF PRECEDENCE

In the event of any inconsistency among any provisions of this grant, the following order of precedence shall apply:

- (a) Statement of Work (excluding the grantee's proposal, if incorporated).
- (b) Schedule of terms and conditions.
- (c) Uniform Administrative Requirements.
- (d) Grantee's Proposal (if incorporated).

17. OTHER ADMINISTRATIVE PROVISIONS

The Grantee shall comply with all standard assurances which were executed as part of the application process.

18. UNIFORM ADMINISTRATIVE REQUIREMENTS

Depending on whether or not the Recipient is a private organization or state and local government, the Uniform Administrative Requirement For Grants and Cooperative Agreements shall be apply:

19. UNIFORM ADMINISTRATIVE REQUIREMENTS FOR GRANTS AND COOPERATIVE AGREEMENTS WITH INSTITUTIONS OF HIGHER EDUCATION, HOSPITALS, AND OTHER NONPROFIT ORGANIZATIONS

The following provisions of OMB Circular A-110, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations," are incorporated by reference. Upon request, the Grant Officer will make their full text available. Where clarifying or specific HUD instructions are required, they will appear in full text. The term "grant" as used herein also refers to cooperative agreement, instruments. The term "Grant Officer" also refers to Cooperative Agreement Officers, when the instrument is a Cooperative agreement.

Attachment A - Cash Depositories

Attachment B - Bonding and Insurance

Attachment C - Retention and Custodial Requirements for Records

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Attachment D - Program Income

Attachment E - Cost Sharing and Matching

Attachment F - Standards-for Financial Management Systems

Subparagraph 2h is superseded by OMB Circular A-133, "Audits of Institutions of-Higher Education and Other Nonprofit Institutions". HUD implementation of OMB Circular A-133 is codified at 24 CFR Part 45, "Non-Federal Audit Requirements for Institutions of Higher Education and Other Nonprofit Institutions".

Attachment G - Financial Reporting Requirements

The grantee shall submit the original SF-269, Financial Status Report, to the Grant Officer. A copy shall be submitted to the GTR. All reports should be prepared on an accrual basis; however, if the grantee's accounting records are not normally kept on the accrual basis, the grantee shall not be required to convert its accounting system, but shall develop such information through best estimates based on an analysis of the documentation on hand.

Attachment H - Monitoring and Reporting Program Performance

The Grantee shall submit any performance reports required to the GTR and Grant Officer.

Between the required performance reporting dates, events may occur that have significant impact upon the project or program. In such instances, the grantee shall inform the GTR and the Grant Officer as soon as the following types of conditions become known:

- a. Problems, delays, or adverse conditions that will materially affect the ability to attain program objectives, prevent the meeting of time schedules and goals, or preclude the attainment of project work units by established time periods. This disclosure shall be accompanied by a statement of the action taken, or contemplated,

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and any HUD assistance needed to resolve the situation;

- b. Favorable-developments or events that enable time schedules to be met sooner than anticipated or more work units to be produced than originally projected.

Attachment I - Payment Requirements

Attachment J - Revision of Financial Plans (Applies only if the HUD funding exceeds \$100,000)

The grantee shall not transfer funds among direct cost categories, when the cumulative amount of such transfers exceeds or is expected to exceed \$5,000 or five percent of the total budget as last approved by the Grant Officer, whichever is greater.

Attachment K - Closeout Procedures

Attachment L - Suspension and Termination Procedures

Attachment N - Property Management Standards

Attachment O - Procurement Standards

Before awarding any subcontracts or subgrants, the grantee must ensure that the subcontractor or grantee is not included on the General Services Administration's "Lists of Parties Excluded from Federal Procurement or Non-procurement Programs," and, therefore, ineligible for award. Copies of this publication may be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402. The telephone number is (202) 783-3238.

B. UNIFORM ADMINISTRATIVE REQUIREMENTS FOR GRANTS AND COOPERATIVE AGREEMENTS TO STATE AND LOCAL GOVERNMENTS

The following provisions of 24 CFR Part 85, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," are incorporated by reference. Upon request, the Grant Officer will make their full text available. Where clarifying or specific HUD instructions are required, they will appear in full text. The term "grant" as used herein also refers to cooperative agreement instruments. The term "Grant Officer" as used herein also refers to Cooperative Agreement Officers, when the instrument is a cooperative agreement.

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SUBPART C - POST-AWARD REQUIREMENTS

Financial Administration

85.20 STANDARDS FOR FINANCIAL MANAGEMENT SYSTEMS.

(a) A State must expend and account for grant funds in accordance with State laws and procedures for expending and accounting for its own funds. Fiscal control and accounting procedures of the State, as well as its subgrantees and cost-type contractors, must be sufficient to

(1) Permit preparation of reports required by this part and the statutes authorizing the grant, and

(2) Permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes.

(b) The financial management systems of other grantees and subgrantees must meet the following standards:

(1) Financial reporting. Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant.

(2) Accounting records. Grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.

(3) Internal control. Effective control and accountability must be maintained for all grant and subgrant cash, real and personal property, and other assets. Grantees and subgrantees must adequately safeguard all such property and must assure that it is used solely for authorized purposes.

(4) Budget control. Actual expenditures or outlays must be compared with budgeted amounts for each grant or subgrant. Financial information must be related to performance or productivity data, including the development of unit cost information whenever appropriate or specifically required in the grant or subgrant agreement. If unit cost data are required, estimates based on available documentation will be accepted whenever possible.

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(5) Allowable cost. Applicable OMB cost principles, agency program regulations, and the terms of grant and subgrant agreements will be followed in determining the reasonableness, allowability, and allocability of costs.

(6) Source documentation. Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and subgrant award documents, etc.

(7) Cash management. Procedures for minimizing the time elapsing between the transfer of funds from the U.S. Treasury and disbursement by grantees and subgrantees must be followed whenever advance payment procedures are used. Grantees must

establish reasonable procedures to ensure the receipt of reports on subgrantees' cash balances and cash disbursements in sufficient time to enable them to prepare complete and accurate cash transactions reports to the awarding agency. When advances are made by letter-of-credit or electronic transfer of funds methods, the grantee must make drawdowns as close as possible to the time of making disbursements. Grantees must monitor cash drawdowns by their subgrantees to assure that they conform substantially to the same standards of timing and amount as apply to advances to the grantees.

(c) An awarding agency may review the adequacy of the financial management system of any applicant for financial assistance as part of a pre-award review or at any time subsequent to award.

85.21 PAYMENT.

(a) Scope. This section prescribes the basic standard and the methods under which HUD will make payments to grantees, and grantees will make payments to subgrantees and contractors.

(b) Basic standard. Methods and procedures for payment shall minimize the time elapsing between the transfer of funds and disbursement by the grantee or subgrantee, in accordance with Treasury regulations at,31 CFR Part 205.

85.22 ALLOWABLE COSTS.

85.23 PERIOD OF AVAILABILITY OF FUNDS.

85.24 MATCHING OR COST SHARING.

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85.25 PROGRAM INCOME.

85.26 NON-FEDERAL AUDIT.

CHANGES, PROPERTY, AND SUBAWARDS

85.30 CHANGES.

(c) Budget changes. (1) Grantees shall obtain the prior approval of the Grant Officer whenever any of the following changes is anticipated:

(i) Any revision which would result in the need for additional funding.

(ii) Cumulative transfers among direct cost categories which exceed or are expected to exceed ten percent of the current total approved budget, whenever HUD's share exceeds \$100,000.

(iii) Transfer of funds allotted for training allowances (i.e., from direct payments to trainees to other expense categories).

Requests for prior approval of changes as specified in paragraphs (c), (d), and (f) shall be directed to the Grant Officer.

85.31 REAL PROPERTY.

(d) Requests for disposition instructions shall be directed to the Grant Officer.

85.32 EQUIPMENT.

(f) (3) Requests for disposition instructions shall be directed to the Grant Officer.

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85.33 SUPPLIES.

85.34 COPYRIGHTS AND PATENTS.

85.35 SUBAWARDS TO DEBARRED AND SUSPENDED PARTIES.

Before awarding any subcontracts or subgrants, the grantee must ensure that the subcontractor or subgrantee is not included on the General Services Administration's Lists of Parties Excluded from Federal Procurement or Non-procurement Programs," and, therefore, ineligible for award. Copies of this publication may be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402. The telephone number is (202) 783-3238.

85.36 PROCUREMENT.

PROCUREMENT PUBLICITY REQUIREMENT

This clause applies for any procurement of goods or services (including construction services) which exceeds \$500,000.

In accordance with Section 623 of the Treasury, Postal Service and General Government Appropriations Act of 1993 (P.L. 102-393), the grantee shall, after award of a covered contract, issue an announcement which:

- a. Specifies the amount of Federal funds that was used to finance the contract; and,
- b. Expresses the amount announced pursuant to paragraph a. as a percentage of the total costs of the contract.

85.37 SUBGRANTS, REPORTS, RECORDS RETENTION, AND ENFORCEMENT

85.40 MONITORING AND REPORTING PROGRAM PERFORMANCE.

(b)(1) Performance reports shall be submitted on a quarterly basis.

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(b)(3) The grantee shall submit the original performance report to the GTR. Copies shall be submitted to the Grant Officer.

(d) Significant developments. Events may occur between the scheduled performance reporting dates which have significant impact upon the grant or subgrant supported activity. In such cases, the grantee must inform HUD as soon as the following types of conditions become known:

(1) Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.

(2) Favorable developments which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more beneficial results than originally planned.

85.41 FINANCIAL REPORTING.

(a) (4) The grantee shall submit the original SF-269 or SF-269A, Financial Status Report, to the Grant officer. A copy shall be submitted to the GTR.

(b) (2) The grantee shall report program outlays and program income on an accrual basis. If the grantee's records are not normally kept on the accrual basis, the grantee is not required to convert its accounting system but shall develop such accrual information through an analysis of the documentation on hand.

(b) Financial reports shall be submitted on a bi-annual basis.

85.42 RETENTION AND ACCESS REQUIREMENTS FOR RECORDS.

85.43 ENFORCEMENT.

85.44 TERMINATION FOR CONVENIENCE.

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85.50 CLOSEOUT.

85.51 LATER DISALLOWANCES AND ADJUSTMENTS.

85.52 COLLECTION OF AMOUNTS DUE.

20. PROCUREMENT PUBLICITY REQUIREMENT

This clause applies for any recipient procurement of goods or services which exceeds \$500,000.

In accordance with Section 623 of the Treasury, Postal Service and General Government Appropriations Act of 1993 (P.L. 102-393), the grantee shall, after award of a covered contract, issue an announcement which:

- a. Specifies the amount of Federal funds that was used to finance the contract; and,
- b. Expresses the amount announced pursuant to paragraph (a) as a percentage of the total costs of the contract.