

U.S. Department of Housing and Urban Development (HUD)  
Office of Lead Hazard Control and Healthy Homes (OLHCHH)

# FY19 NEW GRANTEE ORIENTATION

## *Grant Administration and Regulatory Requirements: Understanding Your Grant Terms and Conditions*

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# Presentation Objectives

- Learn Important Facts about the Terms and Conditions
- Clearly Define the Terms and Conditions Terminology
- Identify the Reporting Deliverables within the Grant Agreement
- Understand How to Find Other Major Program Requirements
- Learn How to Utilize the Terms and Conditions Search Tool



# Important Facts about Terms and Conditions

- Grantee Official Compliance of the Grant Agreement
- Grant Agreement Major Categories
  - Preface
  - General
  - Program Requirement Articles
- Current Year of Grant Terms and Conditions
- Grantees With Two Grants Terms and Conditions



# Important Facts about Terms and Conditions (Part 2)

## ATTACHMENT: LIST OF ACTIONS DUE

Action	Due Date (Deliverables may be provided earlier) <sup>1</sup>
Management and Work plan, written policies and procedures, benchmarks and revised budget with a breakdown of the match	60 days after effective date of grant/cooperative agreement
Request for Release of Funds and Certification	90 days after effective date
Institutional Review Board approval (if applicable)/Approval of Request for Release of Funds and Certification	120 days after effective date
Grant work/deliverables	As per benchmarks following Institutional Review Board approval/Approval of Request for Release of Funds and Certification
Quarterly Progress Reports with a separate attached document illustrating match status	30 days after quarter ends, i.e.: January 30, April 30, July 30, October 30
FFATA Subaward Reporting System	By the end of the month following the month in which the Grantee awards a subgrant greater than or equal to \$25,000
Economic Opportunities for Low- and Very Low-Income Persons (Section 3)	January 10 annually
Race and Ethnic Data Reporting	January 10 annually
Annual Audit	Annually base on the Grantee's fiscal year
Deliverables	In accordance with benchmark schedule
Final Report	90 days after the end of the period of performance

# General Section Overview

- **A. Overview of Award Implementation:**
  - Grantee must complete and submit a revised:
    - Management and work plan,
    - Benchmark Standard and Budget (**60 calendar day**)
  - Approved Request for Release of Funds and Certification
    - See OLHCHH Policy Guidance 2008-03:  
[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/healthy\\_homes/lbp/pg](http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes/lbp/pg)



# Preface and General Section

**U.S. Department of Housing and Urban Development  
Office of Lead Hazard Control and Healthy Homes  
Terms and Conditions  
FY 2016 Grants and Cooperative Agreements**

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**PREFACE**

**GENERAL**

- A. Overview of Award Implementation
- B. Definitions
- C. Transparency Act Reporting
- D. English Language
- E. Conflict of Interest

# Preface Highlights

- The establishment of Code of Federal Regulations:
  - [http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200\\_main\\_02.tpl](http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl)
- Non-Federal Entity Procurement Standards (CFR 200.317-200.36)
- The “uniform crosswalk” available at the following link
  - <http://www.whitehouse.gov/sites/default/files/omb/fedreg/2013/uniform-gu>

# Definitions Overview

- **“Grant Award” “Cooperative Agreement” or “Federal Award”:**
  - The award document consisting of the HUD-1044, including any special conditions; these award provisions refer to either a grant or a cooperative agreement instrument.
- **Contract:**
  - A legal instrument by which a non-Federal entity purchases property or services (2 CFR §200.22).
- **Federal Financial Report (FFR):**
  - The Grantee shall submit the Standard Form 425 for each project or program annually.
- **Disallowable Costs**
  - Those charges to an award that HUD determines to be unallowable, in accordance with the applicable Federal cost principles or other terms and conditions contained in the award.

# Definitions Overview (Cont'd.)

- **Allowable Costs (2 CFR 200.405):**
  - *This standard is met if the cost:*
    - (1) Incurred specifically for the Federal award.
    - (2) Benefits both the Federal Award and other work of the Grantee and can be distributed in proportions that may be approximated using reasonable methods
    - (3) Necessary to the overall operation of the Grantee is assignable in part to the Federal award in accordance with the principles in 2 CFR Part 200, subpart E – Cost Principles.
- **Direct Costs(2 CFR 200.413):**
  - Those costs that can be identified specifically with a particular final cost objective, such as a Federal award.
  - Examples of Direct Cost:
    - Compensation of Employees
    - Costs of Materials
    - Equipment
- **Indirect Costs (Facilities & Administrative (F&A) Costs):**
  - Costs incurred for a common or joint purpose (2 CFR §200.56).

# Definitions Overview (Cont'd.)



**“Must” or “Shall”**: A mandatory requirement.



**“Should”**: The best practices or recommended approach.



**Sub-award (2 CFR 200.92)**: An award provided by a pass-through entity to a sub-recipient for the sub-recipient to carry out part of a Federal award received by the pass-through entity.



**Pass-Through Entity (2 CFR 200.93)**:

2 CFR §200.74, defines a non-Federal entity that provides a sub-award to a sub-recipient to carry out part the Federal program.



**Sub-recipient (2 CFR 200.93)**:

Non-Federal entity that receives a sub-award from a pass-through entity to carry out part of a Federal program.

# Definitions Overview (Cont'd.)

## Transparency Act Reporting:

- Federal Financial Assistance Accountability and Transparency Act of 2006 (FFATA):
- **Recipient Reporting:** Recipients and other prime awardees of HUD financial assistance are required to report sub-awards in the Federal Sub-award Reporting System (FSRS). Website: <https://www.fsr.gov>.

## Prime Awardee Executive Compensation Reporting:

- Recipients and other Prime Awardees must also report in the government wide website (total compensation and names of the top five executives in the prime awardee).

## Sub-award Executive Compensation Reporting:

- Recipients and other Prime Awardees must also report in the government wide website the total compensation and names of the organization.

# Program Requirements Articles

## PROGRAM REQUIREMENTS ARTICLES

1. Administrative Costs |
2. Administrative Requirements
3. Advance Payment by Treasury Check or Electronic Funds Transfer
4. Allowable Costs
5. Amendments
6. Amount of Cost Share (Estimated Cost and Payment – Matching)
7. Budget
8. Certifications and Assurances
9. Changes to Award Agreement
10. Closeout
11. Conduct of Work
12. Collection of Data
13. Contact Information Updates
14. Copyrights
15. Direct Costs
16. Disputes
17. Estimated Cost and Payment – Line of Credit Control System (LOCCS)
18. Equipment
19. Flow Down Provisions
20. Grantee Lead Certification Program Requirement
21. Single Audit Reporting Requirements
22. HUD's Right to Audit and Disallow Cost and Recover Funds
23. HUD's Substantial Involvement
24. Incurrence of Cost
25. Indirect (F&A) Cost Rate
26. Inspection and Acceptance
27. Key Personnel
28. Liability Insurance
29. Limitation of Consultant Payments
30. Limitation on Payments to Influence Certain Federal Transactions
31. Lobbying Activities Prohibition
32. Grant Deliverables (If Applicable)
33. Order of Precedence
34. Patent Rights (Small Business Firms and Nonprofit Organizations)
35. Period of Performance and Extensions
36. Pre-award Costs
37. Profit/Fee
38. Program Income
39. Project Management System
40. Publications and News Releases
41. Release of Funds and Environmental Certification
42. Review of Deliverables
43. Sanctions
44. Scope of Services
45. Special Conditions
46. Suspension and Termination (For Cause)

# Schedule of Articles Overview



5. Changes to Award Agreement:



6. Amount of Cost Share:



17. Estimate of Costs and Payments LOCCS:



22. HUD's Right to Audit and Disallow Cost and Recover Funds:

# Schedule of Articles Overview



24. Incurring Costs:



27. Key Personnel:



32. Grant Deliverables:



33. Order of Precedence:



35. Period of Performance and Extensions:



45. Special Conditions:



46. Suspension and Termination (For Cause):

# Conclusion on Terms and Conditions

