

# CHAPTER 1: GENERAL INFORMATION

## 1-1: Purpose

The Grants Management Handbook (Handbook) implements requirements for the U.S. Department of Housing and Urban Development's (HUD's) administration of grants and cooperative agreements. This Handbook gives HUD Program and Administrative Offices a uniform set of requirements staff must follow to fully implement OMB directives, Federal statutes, and regulations throughout the grant life cycle. This Handbook revises HUD Grants Handbook 2210.17 REV 3.1 (February 2020) and updates it.

**The policy and guidance contained in the Handbook are current as of February 22, 2021.**

This handbook takes into consideration several significant pieces of legislation and other requirements affecting HUD's Administrations of Federal financial assistance. The Handbook will be reviewed, at least annually, to reflect the following requirements:

- Federal Financial Assistance Management Improvement Act of 1999 (Public Law 106-107);
- Federal Funding Accountability and Transparency Act of 2006 (Pub. L. No. 109-282) (FFATA);
- Digital Accountability and Transparency Act of 2014 (Pub. L. No. 113-101) (DATA Act);
- Grants Oversight and New Efficiency Act of 2016 (Pub. L. No. 114-117) (GONE Act);
- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200) – issued by the Office of Management and Budget (OMB) (most recently revised August 13, 2020, November 12, 2020, and February 22, 2021)<sup>1</sup>;
- OMB Circular No. A-123, Management's Responsibility for Enterprise Risk Management and Internal Control (issued July 15, 2016); and
- Section 508 of the Rehabilitation Act of 1973 – Section 508 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794d (Section 508), requires Federal agencies to ensure that electronic and information technology they develop, procure, maintain, or use allows, regardless of the medium of the technology, individuals with disabilities to have ready access to and use of information and data that is comparable to the access to and use of the information and data by individuals without disabilities, unless doing so would result in an undue burden on the agency.

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<sup>1</sup> 2 CFR Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards was revised on August 13, 2020 with most changes taking effect November 12, 2020. OMB published correcting amendments to these Uniform Requirements on February 22, 2021. Please review all referenced content to 2 CFR part 200 and all sub-parts for the most updated guidance and procedures. To assist, please utilize the [Consolidated 2 CFR Comparison Matrix Parts 25 170 183 and 200](#) change tracking document found on the GMO SharePoint. Refer to [Section 1-3](#) of this Handbook for a discussion of the applicability of the revised 2 CFR requirements apply to Federal awards.

The processes and procedures in this Handbook cover the functions associated with the management and stewardship of Federal financial assistance by HUD program staff. There are multiple grants management systems and program-specific processes currently used by HUD Program Offices. This Handbook addresses Department-level grants administration and management and does not delineate any program-specific grants management system(s). Additionally, the Office of Chief Financial Officer (OCFO), Assistant CFO for Systems, Grants Management and Oversight Division (GMO) will provide updated information and procedures to Program Offices by reviewing and updating this Handbook on, at least, an annual basis.

The Handbook's Pre-Award, Award, and Post-Award chapters reflect the steps in the grants management life cycle including:

- Receiving Congressional appropriations;
- Preparing a Notice of Funding Opportunity (NOFO)<sup>2</sup> for publication on Grants.gov or a Renewal notice in the Federal Register, HUD's website and/or the HUD Exchange, as appropriate;
- Conducting a merit review or other comparative evaluation of application submissions for adherence to program rules and requirements;
- Preparing award documents, notifying Congress of applicants selected to receive the awards (recipients) and announcing funding approvals;
- Issuing award documents to recipients with the terms and conditions of award; establishing payment accounts; and obligating funds;
- Monitoring program compliance and results; and
- Closing the award and recapturing unexpended funds.

## 1-2: Enterprise Risk Management

In response to new requirements in OMB Circular A-123, HUD requires the integrated management of risk at strategic, program, and operational levels. This requirement includes creating a holistic view of risks for HUD and incorporating internal controls as a subset of Enterprise Risk Management (ERM). Internal controls are tools to help manage risk and perform missions and operations. The Chief Risk Officer (CRO) and Risk Management Program is responsible for developing the strategy for HUD to meet the new requirements and further operationalize sustainable risk management processes across HUD. The CRO and Risk Management Program will assist HUD Program Offices to meet the OMB requirements by providing the tools, templates and methodologies to align risk management to the strategic objectives of the organization. The Risk Management Program is partnering with GMO to develop an enterprise view of risks around grants at HUD. The processes and procedures in this Handbook will evolve over time as the ERM processes of the department mature. For grants

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<sup>2</sup> In the past HUD has used the term Notice of Funding Availability (NOFA) when labeling HUD's formal announcements of the availability of Federal funding through HUD's financial assistance programs. This revision of the Handbook changes that Departmental label from NOFA to Notice of Funding Opportunity (NOFO), to align with 2 CFR Part 200.1

management, the ERM program will work with stakeholders to further embed risk management into the daily business of HUD operations. Work will focus on helping Program Offices effectively identify, manage, and mitigate risks while integrating risk mitigation efforts across the department's grants programs. ERM is an ongoing and continuous effort which will be further developed and periodically reassessed with the input of the grant's stakeholder community.

## 1-3: Applicability

This Handbook establishes requirements for HUD Program Offices. It does not establish requirements for recipients. It applies to Program Offices administering Federal financial assistance programs. It will be updated as necessary to reflect changes in Department regulations or government-wide policy. This Handbook uses the terms *recipient* and *non-Federal entity* as they are used in 2 CFR part 200. *Recipient* means an entity, usually but not limited to non-Federal entities, that receives a Federal award directly from a Federal awarding agency. The term recipient does not include subrecipients or individuals that are beneficiaries of the award. *Non-Federal entity* means a state, local government, Indian tribe, Institution of Higher Education (IHE), or nonprofit organization that carries out a Federal award as a recipient or subrecipient.

This Handbook:

- Reflects requirements in the Code of Federal Regulations (CFR), including HUD's regulations at 24 CFR Part 5, OMB's regulations at 2 CFR part 200 (made applicable to recipients by the terms of the Federal award, 24 CFR Part 84.1 and 85.1 and the program regulations or NOFO and HUD's Office of the Chief Financial Officer's Administrative Control of Funds: Policies and Procedures Handbook 1830.2 REV 6 ( For hereon to be referred to as Funds Control Handbook);
- May not be cited in awards or publicly available documents, including NOFOs as it is an internal management document; and
- Promotes consistent grants management practices across HUD.

2 CFR part 200 generally applies to Federal awards made on or after December 26, 2014, and Federal awards with terms stating the award will be subject to regulations as may be amended. 24 CFR part 84 and/or 24 CFR part 85 (2013 edition) may continue to be applicable to older grants and cooperative agreements. HUD Program Offices may elect to apply the requirements under 2 CFR part 200 to older awards if they receive additional funding and new terms and conditions are issued. The audit requirements are applicable to recipients for the first full fiscal year on or after December 26, 2014. For prior fiscal years, OMB Circular A-133 must be used for audit requirements.

Please note that OMB recently published revisions to 2 CFR part 200 that took effect on August 13, 2020, November 12, 2020, and February 22, 2021. There are a number of changes to the CFR that should be reviewed and understood to ensure compliance with Federal regulations. To

assist, please utilize the Consolidated 2 CFR Comparison Matrix Parts 25, 170, 183, and 200 to change the tracking document found on the GMO SharePoint.

Awards Made *After* the Effective Dates of the 2 CFR Revisions: The revised 2 CFR requirements apply to Federal awards made after their respective effective dates.

Awards Made *Before* the Effective Dates of the 2 CFR Revisions:

- The revised 2 CFR requirements apply prospectively from their effective dates to Federal awards that were made before the effective dates when the terms of the award state that the award will be subject to regulations as may be amended.
- When Federal awards made before the effective dates do not include a term stating that the award is subject to regulations as may be amended, the revised 2 CFR requirements become applicable when an incremental funding action on a previously made Federal award provides an opportunity to change award terms and conditions.
- Modifications to Federal awards that *do not* increase the funding amount (such as a no-cost extension, or more frequent reporting) will continue to be governed by the terms and conditions of the Federal award. As a result, the revised 2 CFR requirements will not apply to such awards unless there is another requirement that makes that part apply to them.
- For Federal agency incremental funding actions that are subject to the revised 2 CFR requirements, non-Federal entities are not obligated to segregate or otherwise track, both, funds that were awarded before the effective dates of the revisions and funds that were awarded after the effective dates of the revisions but may do so at their discretion. For example, a non-Federal entity may track the prior funds and continue to apply the Federal award flexibilities to the funding awarded under the revised 2 CFR requirements.
- For Federal awards made with modified award terms and conditions at the time of incremental funding actions, Federal awarding agencies may apply the revised 2 CFR requirements to the entire Federal award that is uncommitted or unobligated as of the Federal award date of the first increment received on or after their effective dates.

Program Offices should note that not all requirements in this Handbook are derived from 2 CFR part 200. Additionally, all of the 2 CFR part 200 requirements and other requirements in this Handbook may *not* apply to all grant programs. For example, all of 2 CFR part 200 does not apply to the State Community Development Block Grant (CDBG) program since it is a block grant award authorized by the Omnibus Budget Reconciliation Act of 1981 and is therefore exempt from much of 2 CFR part 200, unless otherwise adopted by the State grantee through separate program regulation. Exceptions to part 200 have been made by regulation in many programs, and such exceptions are identified or acknowledged in some, but not all instances. Appendix B of this document outlines major grant requirements by grant category and delineates

agency requirements in addition to Federal government-wide requirements to Federal financial assistance programs. The list is non-exhaustive.

If the Handbook conflicts with requirements from an applicable program statute or regulation issued by HUD or another Federal agency, then those requirements will take precedence over the Handbook. Program Offices should notify GMO of any such conflicts.

## 1-4: Federal Financial Assistance

The Handbook covers procedures and processes governing all HUD financial assistance programs. (Please note some HUD financial assistance programs may use different terminology, e.g., Annual Contributions Contract and HOME Investment Partnerships Agreement, but the award instrument for Federal financial assistance, is either a grant or cooperative agreement as required by the Federal Grant and Cooperative Agreement Act (31 U.S.C. §§ 6301-08).

The funding instrument used and the eligibility of recipients of grants, and cooperative agreements must be consistent with the authorizing statute, program regulations and this Handbook. The type of instrument must be specified in the funds control matrix for each program. HUD staff are urged to consult with their program counsel when determining the type of funding instrument to be used.

### A. TYPES OF ASSISTANCE INSTRUMENTS (2 CFR 200.1)

1. Grant Agreements are a legal instrument of financial assistance between a Federal awarding agency or pass-through entity and a non-Federal entity that, consistent with 31 U.S.C. §§ 6302, 6304:
  - a. Is used to enter into a relationship the principal purpose of which is to transfer anything of value from the Federal awarding agency or passthrough entity to the non-Federal entity to carry out a public purpose authorized by a law of the United States (see 31 U.S.C. § 6101(3)); and not to acquire property or services for the Federal awarding agency or pass-through entity's direct benefit or use;
  - b. Is distinguished from a cooperative agreement in that it **does not provide for substantial involvement** of the Federal awarding agency or pass-through entity and the non-Federal entity in carrying out the activity contemplated by the Federal award.
  - c. Does not include an agreement that provides only:
    - i. Direct United States Government cash assistance to an individual;
    - ii. A subsidy;
    - iii. A loan;
    - iv. A loan guarantee; or
    - v. Insurance.

2. Cooperative Agreements are legal instruments of financial assistance between a Federal awarding agency and a recipient or a pass-through entity and a non-Federal entity subrecipient that, consistent with 31 U.S.C. §§ 6302-6305:
  - a. Is used to enter into a relationship the principal purpose of which is to transfer anything of value from the Federal awarding agency or pass-through entity to the non-Federal entity to carry out a public purpose authorized by a law of the United States (see 31 U.S.C. § 6101(3)); and not to acquire property or services for the Federal Government or pass-through entity's direct benefit or use; and
  - b. Is distinguished from a grant in that it **provides for substantial involvement** of the Federal awarding agency in carrying out the activity contemplated by the Federal award.
  - c. The term does not include:
    - i. A cooperative research and development agreement as defined in 15 U.S.C. 3710a; or
    - ii. An agreement that provides only:
      - a) Direct United States Government cash assistance to an individual;
      - b) A subsidy;
      - c) A loan;
      - d) A loan guarantee; or
      - e) Insurance.
  - d. Examples of substantial Federal involvement include:
    - i. Federal authority to halt activity if specifications or work statements are not met;
    - ii. Review and approval of work elements must be obtained from HUD prior to commencement of work;
    - iii. Review and prior approval of substantive provisions of proposed sub-grants or contracts must be obtained beyond what is required by existing statutes or regulations;
    - iv. Highly prescriptive HUD requirements limiting recipient discretion;
    - v. Review and approval of key personnel by the Program Office; and
    - vi. Substantial and direct HUD operational involvement or participation during the assistance activity.
3. Fixed amount awards are a type of grant or cooperative agreement under which the Federal awarding agency or pass-through entity provides a specific level of support without regard to actual costs incurred under the Federal award.

This type of Federal award reduces some of the administrative burden and record keeping requirements for both the non-Federal entity and Federal awarding agency or pass-through

entity. Accountability is based primarily on performance and results.

HUD may use fixed amount awards if the project scope is specific and if adequate cost, historical, or unit pricing data is available to establish a fixed amount award based on a reasonable estimate of actual cost. For more information on Fixed amount awards, see 2 CFR 200.201(b) and 200.332.

**B. CATEGORIES OF AWARDS**

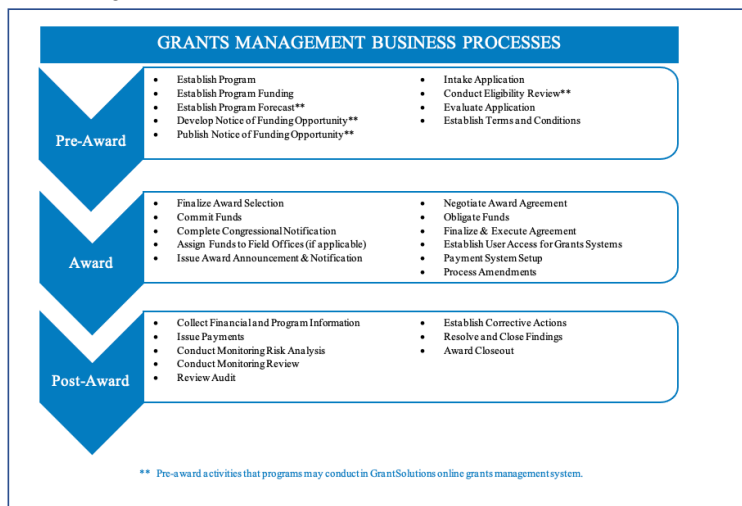
There are two major categories of funding for HUD financial assistance: (1) discretionary and (2) non-discretionary.

1. Discretionary awards allow HUD, in keeping with specific statutory authority that enables the Department to exercise judgment (“discretion”), selects the recipient and/or the amount of Federal funding awarded through a competitive process or based on merit of proposals. A discretionary award may be selected on a non-competitive basis, as appropriate.
2. Non-discretionary awards allow HUD to specify recipients in accordance with statutory, eligibility and compliance requirements, such that in keeping with specific statutory authority the agency has no ability to exercise judgement (“discretion”). A non-discretionary award amount could be determined specifically or by formula.

**C. GRANT LIFE CYCLES: DISCRETIONARY AND NON-DISCRETIONARY AWARDS**

The grant process follows a life cycle that typically includes creating the Notice of Funding Opportunity or renewal notice, processing applications, making award decisions, administering the awards, and closing out the awards. The specific actions in the life cycle are grouped in three main phases: Pre-Award, Award, and Post-Award. The life cycles for discretionary and non-discretionary awards are nearly identical, except in the Pre-Award phase, as depicted below in Figure 1.

Figure 1: Grants Management Process



## 1-5: Grants Management Roles and Responsibilities

This Section summarizes the Federal agencies and HUD offices impacting the management of HUD grant awards. It also explains the HUD grants workforce and the responsibilities involved in the administration of HUD awards.

In this Handbook, the term “HUD Program Offices” or “Program Offices” refers to the following major organizational units within HUD awarding and managing Federal financial assistance **and** their sub-offices (e.g., Special Needs Assistance Programs; Office of Affordable Housing Programs; Economic Opportunity Division) as depicted in Figure 2 below.

FIGURE 2: HUD PROGRAM OFFICES



While Program Offices have flexibility in the assignment of grants management responsibilities to staff, work assignments should be made in alignment with Federal grants management competency standards, grants management experience, Department standards and/or a Program Office’s Standard Operating Procedures (SOP), as appropriate. Program Offices should also consult with program counsel concerning the development of grants management directives and notices.

### A. KEY GRANTS MANAGEMENT ROLES

#### 1. Authorizing Official

- a. The Authorizing Official (AO) in a Program Office oversees the implementation of and adherence to HUD grants management requirements. The Authorizing Official must be appointed by the Secretary or his/her designee.
- b. The Authorizing Official has the authority to sign and issue Notices of Funding Opportunity (NOFOs) or Renewal funding notices and may delegate the authority to sign and issue NOFOs or Renewal Notices. Current delegations of authority may be found [here](#).



**2. Allotment Holder**

- a. The Allotment Holder is generally the Assistant Secretary or equivalent, who submits apportionment requests to the OCFO as needed to carry out responsibilities. Allotment Holders bear overall responsibility for the funds allotted to them. In many cases, the Authorizing Official and the Allotment Holder are the same person.
- b. Allotment Holders develop, submit, implement and enforce adequate funds controls and procedures. They also certify that the funds control matrices accurately reflect practices within the Program Office and assign the role of committing or obligating funds to Field Offices, where applicable. For additional information, see Chapter 1-6.2 of the Funds Control Handbook.

**3. Grants Manager (also may be known as Grants Officer, Grants Specialist, Program Analyst, Program Official and/or Senior Program Staff member)<sup>3</sup>**

- a. Authorizing Officials may assign staff to manage pre-award, award, and post-award activities and maximize the integrity of grant programs from a programmatic, financial management, and administrative perspective.
- b. Grants managers ensure the assigned grant activities conform to HUD grants policy and regulatory requirements. These grant life cycle activities may include:
  - i. Setting program goals and objectives;
  - ii. Drafting program regulations and NOFOs;
  - iii. Managing grant competitions;
  - iv. Advising on the scientific, technical and programmatic suitability of applications for funding; and
  - v. Administering the post-award activities of a program, which may include preparing, executing, and negotiating awards and terms and conditions.

- 4. The Program Office may assign additional responsibilities to staff members including those related to collaboration with program officials and others in development, implementation, and evaluation of program plans, strategies, regulations, announcements, guidelines, and procedures.

**B. FEDERAL AGENCIES**

The following is general information about the external organizations impacting the administration of HUD grants.

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<sup>3</sup> Not an all-inclusive list of all personnel that operate in the Grants Manager role.

1. **Office of Management and Budget (OMB) – Executive Office of the President**

Develops government-wide policy and issues guidance to Federal agencies to assure grants are managed properly and Federal dollars are spent under applicable laws and regulations. OMB works cooperatively with the grant-making agencies and the recipient community to create and maintain regulations and guidance. OMB also apportions appropriations to Federal agencies; reviews and approves regulations, NOFOs, and information collection requests.

2. **Department of the Treasury (Treasury)**

Establishes government-wide cash management policies, operates the system for processing of electronic payments, check payments, and certain transactions with states. Treasury also manages the [USAspending.gov](http://USAspending.gov) website and the [Do Not Pay \(DNP\)](#) Business Center to support Federal agencies. Treasury and OMB also lead the government-wide implementation of the DATA Act.

3. **Government Accountability Office (GAO)**

Under various statutory authorities, GAO examines the use of Federal funds; evaluates Federal programs and activities; provides information, analyses, options, recommendations, and other assistance to help Congress make effective policy, funding, and oversight decisions.

4. **General Services Administration (GSA)**

Maintains government-wide databases for identifying and tracking awards, including Assistance Listings (formerly Catalog of Federal Domestic Assistance (CDFA) and [System for Award Management \(SAM\)](#)).

**C. HUD OFFICES**

In addition to the Federal Agencies listed above, other HUD offices impact the administration of HUD grants, including:

1. **Office of the Secretary/Deputy Secretary** - Provides Departmental leadership through the management of HUD's programs and activities.

2. **Office of Chief Financial Officer (OCFO)** - The OCFO issues allotments and establishes and maintains records and accounts showing the status of allotments issued to Program Offices; establishes and maintains official commitment, obligation, and payment records; processes approved payment requests in a timely manner for payment through the HUD financial systems and other mechanisms for electronic payments; and advises on matters regarding budget development and execution, financial management and reporting, appropriations Act provisions, and appropriations law (as defined by Chapter 1 – 6.7 of the [Funds Control Handbook](#)).

OCFO houses the Department’s Chief Risk Officer and *Enterprise Risk Management* efforts which facilitate the identification, tracking, reporting, and monitoring of risks across the enterprise; and the Assistant CFO for Systems, which houses the *Grants Management and Oversight Division (GMO)*.

3. **Grants Management and Oversight (GMO) Division** - GMO provides oversight and policy responsibility for HUD’s grant programs. GMO:
  - a. Ensures HUD Program Offices fully know Federal statutes, regulations (including 2 CFR part 200) and Executive Orders governing the management of grant programs;
  - b. Advises Program Offices on grants management issues;
  - c. Establishes processes to ensure the timely obligation of funds and reporting on results achieved;
  - d. Promotes an enterprise-level view on grants management;
  - e. Enhances management integrity by separating the duties and responsibility of those establishing overall policy from those selecting recipients for funding;
  - f. Improves management efficiencies by streamlining and simplifying processes associated with grants management consistent with the Federal Financial Assistance Management Improvement Act of 1999 (P.L. 106-107) across HUD programs; and
  - g. Facilitates the implementation of best practices from other agencies.
  
4. **Office of the General Counsel (OGC)** - Advises GMO and the Program Offices on grant-related matters such as the applicability of statutory requirements, including annual appropriations Acts, and program/grant regulatory requirements.
  
5. **Office of Inspector General (OIG)** - The OIG:
  - a. Makes independent audits, evaluations and investigations of HUD programs, operations, and its recipients.
  - b. Conducts national evaluations to prevent fraud, waste, or abuse and promotes economy, efficiency, and effectiveness of departmental programs.
  - c. Reviews responses to audit reports and evaluation reports, and reports significant disagreements to the follow-up official.

## 1-6: Definitions

Definitions can be found in Appendix A in the Handbook. The appendix is not intended to be an all-inclusive listing but provides a single reference source for many definitions and abbreviations applicable to grants management used throughout the Handbook, including hyperlinks.

The definitions in this handbook do not supplant or modify the definitions in statutes and regulations that may govern any particular HUD grant program, including definitions in HUD regulations in title 24 of the Code of Federal Regulations (CFR) or in § 200.1 of the regulations at 2 CFR part 200.

## 1-7: Requirements and Systems for Grants Management

### A. OVERVIEW

1. There are Federal government-wide, HUD-wide, and program-specific requirements governing the award. HUD must manage and administer Federal awards in a manner to ensure HUD funding is expended and programs are implemented in full accordance with applicable requirements.
2. HUD Program Offices must communicate these requirements to the recipient and must incorporate the requirements either directly or by reference in the grant agreement or cooperative agreement. (2 CFR 200.211 and 2 CFR 200.300)

### B. STATUTORY AND NATIONAL PUBLIC POLICY REQUIREMENTS (2 CFR 200.300)

1. **Public (or national) policy requirements**, including but not limited to protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination, apply both pre- and/or post-award. The requirements are usually applied government-wide, but may be HUD-specific, based on the activities or recipients. Generally, the requirements are set forth in HUD regulations. Examples are bulleted below. They include, but are not limited to:
  - a. Compliance with Non-Discrimination and Other Requirements:
    - Nondiscrimination and Equal Opportunity (24 CFR 5.105(a)(1)-(2));
    - Affirmatively Furthering Fair Housing;
    - Economic Opportunities for Low-and Very Low-income Persons (Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u, 24 CFR part 75);
    - Improving Access to Services for Persons with Limited English Proficiency (LEP) (EO 13166) - [https://www.hud.gov/program\\_offices/fair\\_housing\\_eq\\_opp/limited\\_english\\_proficiency\\_0](https://www.hud.gov/program_offices/fair_housing_eq_opp/limited_english_proficiency_0);
    - Electronic Information and Accessible Technology (Section 508 of the Rehabilitation Act of 1973, 29 U.S.C. 794d);

- Equal Access to HUD-assisted or -insured housing Requirements (24 CFR 5.105(a)(2))
  - Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms. (2 CFR 200.321);
  - Equal Participation of Faith-Based Organizations in HUD Programs and Activities. (24 CFR 5.109);
  - Uniform Relocation Act – Real Property Acquisition and Relocation Requirements;
  - Participation in HUD-Sponsored Program Evaluation (HUD Program Evaluation Policy-Policy Statement, 81 FR 87949, December 6, 2016;
  - Accessibility for Persons with Disabilities. (Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794, 24 CFR part 8);
  - Conducting Business in Accordance with Ethical Standards/Code of Conduct. (2 CFR 200.318(c)); and
  - Protections to free speech and religious liberty, public welfare, the environment, and prohibiting discrimination (2 CFR 200.300).
- b. Use of human subjects in research (24 CFR 60.101)
- Participation in HUD-Sponsored Program Evaluations
- c. Safety, health, and labor standards:
- Drug-Free Workplace (2 CFR part 2429 and the Drug-Free Workplace Act of 1998);
  - Handling of Hazardous and Biological Materials (Occupational Safety and Health Act of 1970, as amended); and
  - Labor Standards for Construction and Non-Construction (e.g., Fair Labor Standards Act, 29 USC § 207, as amended; Davis-Bacon Related Act provisions in HUD program statutes; HUD-determined prevailing wage rates for public housing maintenance workers; Contract Work Hours and Safety Standards Act, 40 U.S.C. § 3701)
- d. Privacy and dignity of individuals
- Safeguarding Resident/Client Files – Compliance with 2 CFR 200.338, and state and local laws concerning record disclosure;
  - The Privacy Act of 1974, as amended
  - The Trafficking Victims Protection Act of 2000, as amended; and

- Violence Against Women Act (VAWA) (Notices 81 FR 80724 (HUD regulations) and Notice PIH-2017-08 (HA) (guidance for public housing and housing choice voucher programs).
- e. The public's right to information
- Freedom of Information Act;
  - Federal Funding Accountability and Transparency Act of 2006 (2 CFR 200.212); and
  - Acknowledgment of Federal funding, publications and copyrights (2 CFR 200.315, 37 CFR part 401)
- f. Preserving natural or other resources and avoiding adverse impacts on the human environment (e.g., National Environmental Policy Act, National Historic Preservation Act, impact on human and animal communities)
- HUD regulations governing the environmental review process (24 CFR Parts 50 and 58 – and other environmental criteria and standards (24 CFR Part 51));
  - HUD regulations governing contamination (24 CFR 50.3(i) and 24 CFR 58.5(i)(2));
  - National Historic Preservation Act (54 U.S.C. § 300101) (24 CFR 50.4(a)(1) and 58.5)
  - Endangered Species Act (16 U.S.C. § 1531 et seq.) (24 CFR 50.4(a)(1) and 58.5(a)(1));
  - Flood Disaster Protection Act of 1973 (42 U.S.C. §§ 4001 – 4128) (24 CFR 50.4(b)(1) and 24 CFR 58.6(a)), National Flood Insurance Reform Act of 1994 (42 U.S.C. § 5154a) (24 CFR 58.6(b)), and Coastal Barrier Resources Act (16 U.S.C. § 3501 et seq.) (24 CFR 50.4(c) and 58.6(c));
  - E.O. 11988 on Floodplain Management; E.O. 11990 on Protection of Wetlands and HUD regulations on floodplain management and protection of wetlands (24 CFR Part 55); and
  - Other laws and authorities cited in 24 CFR 50.4 and 58.5.
- g. Ethics and business integrity
- Lobbying Restrictions (2 CFR 200.450);
  - Restrictions on political activities (The Hatch Act 5 USC §§1501 – 1508);
  - Suspension and Debarment (2 CFR Part 180, 2 CFR Part 2424, & 2 CFR 200.214)
  - Conflict of interest; and

- General procurement procedures, including Conflict of Interest (2 CFR 200.317 through 200.327 or applicable program regulations); and
- h. Limiting the burden on taxpayers or the public
- Paperwork Reduction Act of 1995.
2. Program Offices must communicate national requirements to recipients, including those in appropriations Acts, and incorporate the requirements in program regulations or NOFOs and in the terms and conditions of award (2 CFR 200.300(a)).

### C. PROGRAM REQUIREMENTS

Program-specific requirements are established in the authorizing statute, annual appropriations, and implementing program regulations.

### D. ADMINISTRATIVE REQUIREMENTS

Administrative requirements ensure accountability for the obligation and expenditure of Federal funds. They may come from several sources, including statutes (to include account language and general provisions as part of the annual appropriations bill), but the primary sources are Office of Management and Budget (OMB) regulations, circulars, and policy memoranda from OMB's Office of Federal Financial Management.

Another example is the OCFO's Funds Control Handbook. Administrative requirements are complementary to program requirements and are applicable to grant-related business and financial management performance. HUD makes the administrative requirements applicable to recipients in program regulations, NOFOs, renewal notices, and the award documents.

### E. FEDERAL ELECTRONIC SYSTEMS AND PORTALS

1. HUD complies with policies on the transparency of Federal grant processes and provides accurate and reliable information to the public by using the Federal-wide electronic systems approved for this purpose. As noted in 2 CFR part 200, these electronic systems and portals are used throughout the Federal grant lifecycle.
2. Electronic systems and portals used in the *Pre-Award* phase of the grants lifecycle are:
  - a. **Assistance Listings (formerly Catalog of Federal Domestic Assistance, CFDA)** is a directory, within SAM.gov, of the various Federal listings, projects, services and activities offering financial and non-financial assistance and benefits to the American public. Each Assistance Listing is a unique five-digit number. The *Assistance Listings Number* is assigned to each program,

project, service or activity listed in the Catalog of Federal Domestic Assistance (*CFDA*). HUD must submit specified data to the GSA annually for programs awarding discretionary Federal awards, non-discretionary Federal awards, loans, insurance, or any other Federal financial assistance. (2 CFR 200.202).

- b. **Grants.gov** – The common governmentwide website HUD uses to post discretionary funding opportunities, and for applicants to find and apply for those opportunities. (as outlined in 2 CFR 200.204)
  - i. Grants.gov offers a system-to-system interface allowing HUD to post Notice of Funding Opportunities (NOFO) forecasts and associated application packages and receive applications. Grants.gov has reporting and information management functionality for Federal users.
  - ii. The Grants.gov system sends applicants automated email messages providing the status of the application and it assigns a tracking number.
3. Electronic systems and portals used in the *Award* phase of the grants life cycle are:
  - a. **System for Award Management (SAM)** consolidates nine government-wide acquisition and award support systems into one system, including the Central Contractor Registry (CCR), Excluded Parties List System (EPLS), Online Representations and Certifications Application (ORCA), Federal Awardee Performance and Integrity Information System (FAPIIS), FFATA Sub-Award Reporting System (FSRS), and Assistance Listings (formerly Catalog of Federal Domestic Assistance, CFDA).
    - i. Each applicant for a HUD award must register in SAM prior to submission of an application. To continue to be eligible for an award, recipients must maintain an active registration throughout the life of the award, including an annual renewal. (Appendix I to 2 CFR part 200).
    - ii. Program Offices must:
      - 1) Review the information in SAM before HUD obligates Federal funds under a grant or other form of financial assistance. The review must determine whether an organization or any of its principals is debarred, suspended, or voluntarily excluded from eligibility for Federal funding.
      - 2) Include SAM registration requirements for applicants in both discretionary (NOFOs) and non-discretionary award processes, including renewal procedures; and
      - 3) Include in an award’s terms and conditions the requirement that each recipient must maintain an active SAM



registration and the currency of its information (2 CFR 25.200 and 2 CFR part 25, Appendix A).

- a) This includes information on the recipient's immediate and highest-level owner and subsidiaries, as well as on all of the recipient's predecessors that have been awarded a Federal contract or Federal financial assistance within the last three years, if applicable.
  - b) The subrecipients **must** obtain a Unique Entity Identifier (UEI), but do not need to obtain an active SAM registration.
  - c) Both the registration and information must be kept up to date throughout the period of performance and until the recipient submits either the final financial report or receives the final payment, whichever is later.
- b. **Unique Entity Identifier (UEI)** - A Unique Entity Identifier (UEI) means the identifier assigned by SAM to uniquely identify business entities. It is a unique number assigned to all entities (public and private companies, individuals, institutions, or organizations) who register to do business with the federal government.

The Dun and Bradstreet Data Universal Numbering System Number<sup>4</sup> (commonly known as DUNS number) is the UEI required for SAM registration for entities conducting business with the Federal government.

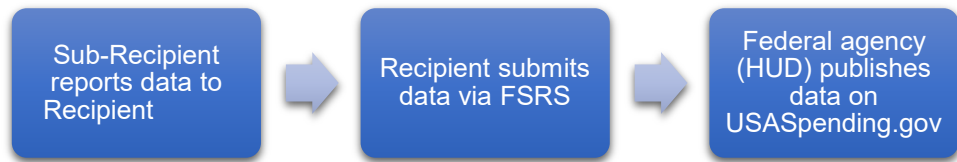
- i. Applicants for Federal grants, except for individuals other than sole proprietors, must include a UEI as part of the application for Federal assistance. The program description must include the reference to the relevant Assistance Listings, in addition to indicators, targets, baseline data and data collection. (Appendix I to 2 CFR part 200)
- ii. Program Offices must include the requirements for recipients to ensure applicants for sub-awards have a UEI number in the obligating document.

**FATA Sub-Award Reporting System (FSRS)**. The FSRS is the reporting tool Federal award recipients are required to use to capture and report sub-award and executive compensation data regarding their first-tier sub-awards under FFATA reporting requirements.

- i. Recipients must enter information in FSRS to report sub-award obligations. The sub-award information entered in FSRS is made available on USAspending.gov.

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<sup>4</sup> By April of 2022, the federal government plans to stop using the DUNS number to uniquely identify entities registered in the System for Award Management (SAM). At that point, entities doing business with the federal government will use a unique entity identifier (UEI) created in SAM.gov.



Program Offices must include language from 2 CFR part 170, Appendix A, in the terms and conditions of Federal awards that authorize sub-awards. The award term specifies responsibilities for recipients related to reporting in FSRS. *The Federal agency is only required to include this term if the total funding is anticipated to equal or exceed \$30,000.*

- ii. As part of post-award monitoring, Program Offices must assess recipient compliance with the requirements for sub-award reporting and reporting of executive compensation.
5. Electronic systems and portals used in the *Post-Award* phase of the lifecycle are:
- a. The Federal Awardee Performance and Integrity Information System (FAPIIS) is an electronic data system that provides specific information related to the integrity and performance of non-Federal entities. HUD must report information to FAPIIS and review FAPIIS data prior to making Federal awards where the Federal share is expected to exceed the simplified acquisition threshold, defined in 41 U.S.C. 134, over the period of performance. (2 CFR 200.206).
    - i. FAPIIS includes information on Terminations for Cause or Default,
    - ii. Defective Cost and Pricing Data,
    - iii. Determinations of Non-Responsibility,
    - iv. Terminations for Material Failure to Comply (financial assistance),
    - v. Recipient Not Qualified Determinations (financial assistance) and Administrative Agreements.

As of November 12, 2020:

- o 2 CFR 200.206 requires Federal agencies to review FAPIIS (including information in the non-public segment) as part of the pre-award risk assessment. A framework for evaluating risks can be found at 2 CFR 200.206 (b) to include new items HUD may consider in a risk-based approach.
- o 2 CFR 200.213 requires agency reporting in certain circumstances when a financial assistance applicant has been determined to be “not qualified” for a Federal award.
- o 2 CFR 200.214 contains information regarding suspension and debarment.

- 2 CFR 200.340 and 2 CFR 200.341 requires agency reporting of award terminations in FAPIIS. *Note, changes to 2 CFR 200.340 were effective August 13, 2020.*
  - 2 CFR part 200 Appendix XII contains the award terms and conditions requiring recipient integrity and performance reporting.
- b. SAM.gov also includes information regarding entities or their principals who have been debarred, suspended, proposed for debarment, excluded or disqualified from receiving Federal contracts, certain sub-contracts, and certain Federal assistance and benefits under either the non-procurement common rule (2 CFR part 180), or the Federal Acquisition Regulation (FAR).