

FY25 FSS Grant Agreement (Terms & Conditions)

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1 **FISCAL YEAR 2025**
2 **FAMILY SELF-SUFFICIENCY PROGRAM GRANT AGREEMENT**
3 **(TERMS & CONDITIONS)**
4 **(CFDA Number: 14.896)**
5 **(Attachment to *NOTICE OF AWARD*)**
6

7 This Grant Agreement (“Grant Agreement”) is made by and between the United States
8 Department of Housing and Urban Development (“HUD”) and the Grantee. The Grantee
9 received a FY2025 Family Self-Sufficiency (“FSS”) Grant from fiscal year 2025, for the
10 operation of a Family Self-Sufficiency Program (“FSS Program”) that is the subject of this Grant
11 Agreement and that is identified on the award obligation document (Notice of Award).

12 HUD agrees, subject to the terms of this Grant Agreement, to provide grant funds to
13 the Grantee, in the total amount listed on the Notice of Award, for the activities described in
14 the **Family Self-Sufficiency Grant Program General Funding Requirements and**
15 **Procedures – Revised - [PIH 2025-15](#)** and the **FY 2025 Family Self-Sufficiency Grant**
16 **Program Annual Funding Notification and Application Process – [PIH 2025-24](#)** and as
17 defined in Articles II and III.

18 Grant funds will be available in HUD’s electronic Line of Credit Control System
19 (eLOCCS) payment system to which the Grantee will be given access (with proper
20 documentation) to draw down these funds.

21 The assistance that is the subject of this Grant Agreement is authorized by and required to
22 be used in accordance with Section 23 of the United States Housing Act of 1937. Funding for
23 this program is authorized by the Consolidated Appropriations Act, 2025 (Public Law 119-4,
24 approved March 15, 2025). The requirements stated in the FY25 FSS General Funding and FY25
25 Annual Funding Notices and Notice of Award are incorporated into the terms of this Grant
26 Agreement. As such, HUD and the Grantee are hereby bound by those requirements, in addition
27 to the following terms and conditions of this Grant Agreement:
28

29 **ARTICLE I: BASIC GRANT INFORMATION AND REQUIREMENTS**
30

31 The FSS Program supports the Department’s strategic goal of increasing economic opportunity
32 for HUD-assisted families. FSS provides grants to Public Housing Agencies (PHAs) and owners
33 of HUD-assisted multifamily housing properties to support the salaries of FSS Program
34 Coordinators who assist participating families receiving housing assistance through the Housing
35 Choice Voucher (HCV), Project-Based Voucher (PBV), Public Housing (PH), and Project Based
36 Rental Assistance (PBRA) programs. FSS Program Coordinators develop local strategies to
37 connect participating families to public and private resources to increase their earned income and
38 financial empowerment, reduce or eliminate the need for welfare assistance, and make progress
39 toward economic independence and self-sufficiency. “Self-sufficiency” is defined as an FSS
40 family no longer receiving Section 8, public housing assistance, or any Federal, State, or local
41 rent, homeownership subsidies, or welfare assistance. Achievement of self-sufficiency, although

1 an FSS program objective, is not a condition for receipt of the FSS escrow account funds. See 24
2 CFR 984.103.

3
4 The Grantee agrees to conduct all activities to be assisted with funds provided under this Grant
5 Agreement in accordance with the following requirements, as such requirements now exist or as
6 they may hereafter be amended (hereafter collectively referred to as the “Family Self-Sufficiency
7 Program Requirements”):

- 8
9 1. Award type: This is a cost-reimbursable, performance-based grant.
- 10
11 2. The Grantee's application including any special conditions, is incorporated into this
12 agreement.
- 13
14 3. This agreement shall be effective immediately upon electronic signature of the Grantee in
15 GrantSolutions.
- 16
17 4. Period of performance: The period of performance will be 12 months. *For FY2025 grants,*
18 *this will be 1/1/2026 – 12/31/2026.*
- 19
20 5. This Grant Agreement will be governed by the following as they may from time to time be
21 amended during the grant term: the applicable Consolidated Appropriations Acts, the United
22 States Housing Act of 1937, as amended, **Family Self-Sufficiency Grant Program**
23 **General Funding Requirements and Procedures – Revised - [PIH 2025-15](#)** and **FY 2025**
24 **Family Self-Sufficiency Grant Program Annual Funding Notification and Application**
25 **Process – [PIH 2025-24](#)**, any applicable HUD regulations, Handbooks, and Notices, such as
26 24 CFR Part 24, 24 CFR Part 984, 24 CFR Part 887 for PBRA Owners, 2 CFR Part 200, and
27 any applicable OMB Regulations or Circulars..

28
29 **In executing this agreement, the Grantee agrees to abide by the provisions contained within**
30 **all applicable Federal statutes and regulations, Executive Orders, OMB Circulars, and any**
31 **assurances and certifications in the final HUD-approved application (the original approved**
32 **application may have required amendments by the field/applicant), as applicable and as**
33 **may be amended during the grant term. In particular, the Grantee agrees to comply with**
34 **the United States Housing Act of 1937 as amended, Family Self-Sufficiency Grant Program**
35 **General Funding Requirements and Procedures - [PIH 2025-15](#) and FY2025 Family Self-**
36 **Sufficiency Grant Program Annual Funding Notification and Application Process - [PIH](#)**
37 **[2025-24](#), 24 CFR part 984, and 2 CFR part 200.**

38
39 **ARTICLE II: HUD REQUIREMENTS**
40 **SUB-ARTICLE A – GRANT ADMINISTRATION, CONDITIONS REQUIRING**
41 **TERMINATION OF FUNDING**

- 1
2 1. The Grantee shall participate in meeting(s) (if requested by HUD) with HUD’s local field
3 office for the purpose of establishing a common understanding and strategy with respect to
4 grant administration, timeline, deliverables, grant objectives, eligible expenses, performance
5 measures, and the scope of work necessary to achieve grant objectives.
6
7 2. The Grantee shall furnish all necessary personnel, materials, services, equipment, and
8 facilities and shall otherwise do all things necessary for, or incidental to, the performance of
9 the activities and tasks set forth in the approved application, and this Grant Agreement
10 (except as otherwise specified).
11
12 3. **Pre-award costs.** Per 2 CFR 200.458, *Pre-award costs are those incurred prior to the*
13 *effective date of the Federal award directly pursuant to the negotiation and in anticipation of*
14 *the Federal award where such costs are necessary for efficient and timely performance of the*
15 *scope of work. Such costs are allowable only to the extent that they would have been*
16 *allowable if incurred after the date of the Federal award and only with the written approval*
17 *of the Federal awarding agency.*

18 If the performance period of this grant is later than 1/1/2026, Grantees may request
19 reimbursement for eligible costs incurred between 1/1/2026 and the start of the performance
20 period of this FY2025 FSS grant where such costs were necessary for the efficient and timely
21 performance of eligible activities under a FY25 FSS grant. Any reimbursements must
22 comply with 2 CFR 200.458 and are at HUD’s sole discretion.
23

- 24 4. The work to be performed under this Grant Agreement is outlined in **Family Self-**
25 **Sufficiency Grant Program General Funding Requirements and Procedures - [PIH](#)**
26 **[2025-15](#)** and **FY2025 Family Self-Sufficiency Grant Program Annual Funding**
27 **Notification and Application Process - [PIH 2025-24](#)** **Responsibilities of FSS Program**
28 **Coordinators.** Recipients of FSS funds must use these funds to operate the FSS program and
29 employ the designated number of FSS Program Coordinators, in accordance with the
30 program’s requirements for the use of funds in accordance with any applicable statutory or
31 regulatory requirements, which also include HUD issued guidance. See also, 24 CFR Part
32 984 for PHAs & 24 CFR Part 887 for PBRA owners, and 2 CFR Part 200, Subpart E.
33
34 5. The grant funds shall be used only for eligible activities. Refer to **Family Self-Sufficiency**
35 **Grant Program General Funding Requirements and Procedures - [PIH 2025-15](#)**, Section
36 **V** and **FY2025 Family Self-Sufficiency Grant Program Annual Funding Notification**
37 **and Application Process - [PIH 2025-24](#)**, Section III for more information on eligible and
38 ineligible uses of funds.

39 *III. Eligible and Ineligible Uses of Funds.*

40 *A. Eligible Expenses. Funds awarded to FSS grantees under this Notice may only be used*
41 *to pay the salary and fringe benefits of FSS program coordinators, including supervisors*

1 performing FSS program functions (in accordance with any applicable statutory or
2 regulatory requirements, and guidance, as well as 2 CFR Part 200).

3 1. *Training Stipend.* FSS applicants may include a training allowance in your
4 calculation of salary and fringe benefits. This may include associated travel costs
5 for out-of-area trainings and membership in professional organizations.

6 2. *Job Sharing.* The funds awarded per eligible FSS coordinator position may
7 support multiple staff through job sharing. However, the number of hours billed
8 to the grant for each funded position may be no more than the “Full-Time
9 Equivalent.” This is typically 40 hours, unless defined differently for all
10 employees at your organization.

11 B. *Ineligible Expenses.* FSS funds may not be used for the following purposes (in
12 accordance with the FSS statute, rules, and guidance, as well as 2 CFR Part 200):

13 1. *Administrative Expenses,*

14 2. *Direct Services for FSS program participants,*

15 3. *The Resident Opportunities and Self-Sufficiency (ROSS), Jobs Plus, or other
16 Supportive Services Program,*

17 4. *Routine Public Housing, Project-based Rental Assistance, or Housing Choice
18 Voucher program functions, unless approved by HUD in accordance with
19 requirements outlined in the FSS Funding Notices,)*

20 5. *Homeownership functions performed for families not enrolled in the FSS
21 program,*

22 6. *A contract administrator, an overall grant administrator, or a financial
23 management agent that oversees the implementation or financial aspects of the
24 grant,*

25 7. *Indirect costs, including an Indirect Cost Rate.*

26
27 **6. HCV, PH or PBRA Program Functions: Per Family Self-Sufficiency Grant Program**
28 **General Funding Requirements and Procedures - [PIH 2025-15](#)** Section V, *should FSS*
29 *Program Coordinators undertake standard housing operation duties—for instance, rental*
30 *calculations and reexaminations—HUD's prior written approval is mandatory. In such approval*
31 *requests, grantees must demonstrate that these duties are limited to FSS participants,*
32 *advantageous to the FSS program, not excessively time-consuming, and that they do not impede*
33 *the program's execution. Per **FY 2025 Family Self-Sufficiency Grant Program Annual***
34 **Funding Notification and Application Process - [PIH 2025-24](#)** Section III.B., *Programs may*
35 *seek HUD approval to perform these functions only if all of the following conditions are met:*

36 i. *They are only performing these functions for FSS participants*

37 ii. *Performing these functions enhances the effectiveness of the FSS program*

38 iii. *They are able to fully fulfill their primary roles as FSS coordinators*

39 iv. *FSS coordinators are not being used to fill in or replace traditional staff*

40
41 In order for these activities to be eligible, **Grantees requesting to have the FSS coordinator**
42 **perform HCV/PH/PBRA program functions must submit, to their local HUD Field Office (for**

1 *PIH) or Grant Specialist (for PBRA), a narrative justification, explaining the routine HCV,*
2 *PH, and/or PBRA program function(s) performed by the FSS Program Coordinator, how it*
3 *will enhance the effectiveness of the FSS program, and why it does not impede the ability of*
4 *the FSS Program Coordinator(s) to effectively perform FSS functions. The Grantee must also*
5 *certify that the function(s) is not performed for non-FSS families. Once the Grantee has*
6 *received approval from its local HUD Field Office/Grant Specialist to complete these activities*
7 *and has certified they will not perform them for non-FSS families, they are not required to*
8 *submit this justification on an annual basis, i.e. Grantees only need this approval one time.*
9

10 7. Grantees must adhere to the FSS Program Administration provisions in **Family Self-**
11 **Sufficiency Grant Program General Funding Requirements and Procedures - [PIH 2025-15](#)**
12 **and FY 2025 Family Self-Sufficiency Grant Program Annual Funding Notification and**
13 **Application Process – [PIH 2025-24](#)** and any applicable statutory or regulatory requirements,
14 which may include HUD Handbooks, and notices.

- 15 a. Grantees are not required to obtain approval for training/travel activities that are
16 part of training stipends under fringe benefits.
- 17 b. Grantees may sub-contract the work of the FSS Program Coordinator. Grantees
18 must have an FSS Action Plan approved by their local field office before
19 enrolling any FSS participants. All existing FSS programs were required to have
20 an FSS Action Plan updated to reflect the Final Rule approved by HUD by no
21 later than November 16, 2022 or within the first year of their program. All FY25
22 grantees are renewals and should have already met this requirement.
- 23 c. **Mandatory FSS Training.** HUD has posted the updated [Online Mandatory](#)
24 [Training](#) on the FSS program to reflect changes in the Final Rule. The training
25 will provide guidance on how to develop and administer a successful FSS
26 program. Each grantee is **required** to have at least one person complete the
27 updated FSS online training. Access to funds may be suspended until the grantee
28 is in compliance. HUD encourages every FSS Coordinator and
29 supervisor/administrator to take the training.
- 30 d. **Family Self-Sufficiency Guidebook and Online Training:** HUD strongly
31 encourages Grantees’ executive directors, service coordinators, and resident
32 services leadership to review the updated [Administering an Effective Family Self-](#)
33 [Sufficiency Program: A Guidebook Based on Evidence and Promising Practices](#)
34 (published January 2023). This guidebook provides FSS Coordinators, PHAs,
35 owners, and HUD staff with guidance on how to develop and administer a
36 successful and effective FSS program.
37
- 38 8. All grantees must serve the minimum number of participants required by the funding notices,
39 and any applicable statutory or regulatory requirements, which may include HUD
40 Handbooks, and other notices.
41

- 1 9. Grantees must request prior approvals from HUD consistent with 2 CFR 200.308, and any
2 applicable FSS programmatic requirements. In addition, should any of the following
3 conditions arise, Grantees are required to submit in writing any changes to the previously
4 approved grant to the local HUD field office:
- 5 a. Any change in the scope, objective, or conditions of the program.
 - 6 b. Changes in any subcontracting, or otherwise obtaining the services of a third party
7 to perform activities that are central to the purposes.
 - 8 c. Other changes that may adversely affect the program.
- 9
- 10 10. Any changes requested by the Grantee must be in writing (emails are acceptable). HUD will
11 approve/reject requested changes as appropriate. Generally, HUD will approve such requests
12 within **30 calendar days** of submission. Approved changes will be reflected by an
13 amendment to the Notice of Award and any other documentation as directed by HUD.
14 Amendments will become effective when the Grantee has electronically signed the amending
15 documents.
- 16
- 17

18 **SUB-ARTICLE B: FINANCIAL RESPONSIBILITIES**

- 19
- 20 1. Prior to initial drawdown of funds, all Grantees must have secured online access to the
21 Internet as a means to communicate with HUD on grant matters. Applicants shall draw down
22 funds using the electronic Line of Credit Control System (eLOCCS).
- 23
- 24 2. Grantees should draw down as often as costs are incurred or as often as logistically possible
25 for the grantee agency. Grantees may only draw on actual costs incurred, not estimated or
26 future anticipated costs.
- 27
- 28 3. Funds requisitioned through eLOCCS must be disbursed within **three calendar days after**
29 **receipt of funds drawdown**. *The Grantee must make a drawdown only for incurred costs.*
30 **This means no estimated draws or draws for future expenses.** Drawdowns in excess of an
31 eligible HUD-approved expense may result in special procedures for payments, or
32 termination of the grant when there are persistent violations.
- 33
- 34 4. The Grantee agrees to comply with the organizational audit requirements of OMB at 2 CFR
35 Part 200. The final audit report must cover the entire period of the grant. The Grantee must
36 submit the audit to HUD no later than **120 calendar days** after the grant is closed, covering
37 the entire award period originally approved or amended. All other requirements of 2 CFR
38 Part 200 shall apply. For Grantees where an audit is required, a single audit or a program-
39 specific audit is acceptable. If a Grantee chooses a single audit, the final audit report that
40 includes this grant is due no later than **30 calendar days** after the single audit is completed.
41 *According to 2 CFR 200.501, Grantees that expend less than \$1,000,000 in federal awards*
42 *are exempt from the audit requirement, but records must be available for review or audit.*

1 5. **Requests for Extension of Period of Performance and Unexpended Funds.** If HUD
2 chooses to implement funding offsets as described in PIH Notice 2025-15 and PIH Notice
3 2025-24, HUD may extend Grantees' period of performance so that the Grantee can expend
4 their FY25 funds in the FY26 period of performance to offset the Grantee's reduced FY26
5 funding. Pursuant to 2 CFR 200.308(g)(2), HUD authorizes Grantees to initiate a one-time
6 extension for FY25 funds until December 31, 2027, if the Grantee notifies HUD in
7 accordance with instructions that HUD will provide closer to the time at which Grantees
8 would apply for any potential FY26 funding. HUD may also specify a threshold for the
9 amount of funding remaining on a grant, under which amount all funding will be recaptured
10 rather than used for a funding offset.

11
12 If a Grantee is ending their FSS program or otherwise is not receiving following year
13 (FY26) funding and requires an extension to continue using their remaining FY25 grant
14 funds, the Grantee must submit a request for extension and authorization must be given by
15 the Headquarters FSS team. The extension request must include:

- 16 (1) a narrative explaining the circumstances for the extension is needed;
- 17 (2) the requested extension period; and
- 18 (3) the Grantee's plan on fulfilling the grant agreement within the proposed extension
19 period.

20
21 6. **Unexpended Funds.** If the grant is not extended as described in Sub-Article B.5., the
22 unexpended funds remaining in the Grantee's eLOCCS account will be recaptured pursuant
23 to Sub-Article G and the Federal regulations.

24 25 **SUB-ARTICLE C: METHOD OF PAYMENT [FUNDS DRAWDOWN]**

- 26
27 1. The Grantee may not draw down grant funds until all pre-conditions are completed by the
28 Grantee and verified by HUD.
- 29 a. Grantees must have an FSS Action Plan approved by their local field office before
30 enrolling any FSS participants. All existing FSS programs were required to have an
31 FSS Action Plan updated to reflect the Final Rule approved by HUD by no later than
32 November 16, 2022 or within the first year of their program. All FY25 grantees are
33 renewals and should have already met this requirement.
 - 34 b. **Mandatory FSS Training.** HUD has posted the updated [Online Mandatory Training](#)
35 on the FSS program to reflect changes in the Final Rule. The training will provide
36 guidance on how to develop and administer a successful FSS program. Each grantee
37 is *required* to have at least one person complete the updated FSS online training.
38 Access to funds may be suspended until the grantee is in compliance. HUD
39 encourages every FSS Coordinator and supervisor/administrator to take the training.
40

- 1 2. Payments of grant funds shall be through electronic funds transfer using eLOCCS (Line of
2 Credit Control System). Initial drawdown cannot be earlier than the start date of the grant
3 term. All FY25 grantees are renewals so should already have access to eLOCCS,
4 **The basic procedure to establish access to eLOCCS is as follows:**
- 5 a. To establish access to eLOCCS, the Grantee must adhere to [LOCCS Guidelines](#) and the
6 requirements below; and complete and submit the [SF-1199A Direct Deposit Sign-Up Form](#) with
7 sample **voided** check. NOTE: The depositor account on the SF-1199A may be the same
8 receiving account as other HUD programs.
- 9 This form should be sent to the Grantee's local HUD field office for
10 processing. **The program area ID for PHA grantees is ROSS. For**
11 **Multifamily grantees, it is SSMF.**
- 12 b. To gain access to HUD Secure Systems in order to use eLOCCS, the Grantee must
13 follow the instructions as outlined in the [eLOCCS Registration Guide](#).
- 14 c. The approving official who completes block 6 of HUD form 27054E is required to
15 register as the **coordinator** in Secure Systems and the user who completes blocks 1-5
16 of HUD form 27054E is required to register as the **user** in Secure Systems.
- 17
- 18 3. After HUD processes the above documents, the Grantee will receive the following:
- 19 a. The coordinator will receive the user identification number for the individual
20 who will be authorized to draw down the funds from eLOCCS.
- 21 b. The Approving Official (who could also be the coordinator) will receive a
22 recertification email every six months to provide continual approval for the individual
23 who will complete the drawdowns. This email is scheduled based on the geographical
24 location of the Grantee and will contain recertification instructions.
- 25 c. Grantees are required to maintain the integrity and Security of eLOCCS. Under no
26 circumstances may Grantees share User-IDs. If HUD finds out that Grantees are
27 sharing User-IDs, then HUD will terminate the Grantee's access to eLOCCS and
28 not reinstate it.
- 29
- 30 4. Once the Grantee's staff person who is responsible for completing drawdowns and their
31 approving official has made role assignments in eLOCCS, the Grantee is technically
32 equipped to request drawdowns. Please review the [eLOCCS Getting Started Guide](#).
- 33
- 34 5. If at any time, the user (person who completes blocks 1-5 of HUD form 27054E) vacates
35 their position within the organization, the Approving Official must complete HUD form
36 27054E to terminate the user's access and forward that form to their local HUD field office.
37 The form should not contain the Social Security number of the employee who has left the
38 organization as that is a security violation since the user is no longer available to sign the
39 eLOCCS form. The Grantee must designate a new user, by completing another HUD form
40 27054E. Similarly, if the Approving Official (person who completed block 6 of HUD form

1 27054E) leaves or changes their position, the new Approving Official must execute the
2 Change of Approving Official Letter.

3
4 If you are suspended from eLOCCS due to 90 days of inactivity, the next time you access
5 eLOCCS:

- 6 • You will be prompted to answer 1 of your 3 personal security questions
7 previously entered in eLOCCS.
- 8 • If you are unable to answer any of the 3 questions, you will be instructed to call OCFO
9 Security and provide your previously entered personal 5-digit eLOCCS PIN.
- 10 • If you are unable to correctly provide your 5-digit PIN;
 - 11 ○ Regular users will have their eLOCCS access terminated and must submit
12 another 27054E eLOCCS security form to be reinstated.
 - 13 ○ Approving Officials will be required to fax a form letter to OCFO
14 Security requesting reinstatement.

15 **6. eLOCCS Program Edits.**

- 16 a. The eLOCCS application will automatically perform a series of review edits (both
17 generic and program specific) of each payment request. Failure of one of the
18 program edits will cause the payment request to be referred to the HUD field
19 office/Grant Specialist for review.
- 20 b. The HUD field office/Grant Specialist will complete the review. The request will
21 remain in the system and further drawdowns will not be allowed until that review
22 is complete and the drawdowns approved or rejected.
- 23 c. Some HUD field offices may place all Grantees on manual review (in
24 accordance with sub-article H). This means that all requests for reimbursement
25 will be reviewed by eLOCCS (see sub-paragraph a above) as well as the HUD
26 field office staff with oversight responsibility prior to approving a drawdown
27 request.
- 28 d. The Grantee shall immediately contact the HUD field office when there is a
29 question regarding the request or when the request has been referred to the HUD
30 program office for review. A request will be referred to the program office for
31 review when:
 - 32 i. There are requests for over 10% of total grant funds per calendar month.
 - 33 ii. The Grantee attempts to draw over 100% of the grant
 - 34 iii. Failure to submit an annual HUD form SF-425 - *Financial Status Report*,
35 or any other relevant documents as defined by this agreement and 2 CFR
36 part 200. The eLOCCS application shall not accept a request for funds if
37 required reports from the Grantee are ten or more days overdue and will
38 not accept future requests until the HUD field office confirms receipt and
39 approval of the reports.

- 1
 - 2
 - 3
- e. If the Grantee repeatedly fails to submit required forms, eLOCCS will be converted to a system in which the HUD Field Office will **manually** review each drawdown request prior to releasing funds to the Grantee.

1 **SUB-ARTICLE D: AUTHORIZED FUNDS BY BUDGET LINE ITEM (BLI) NUMBER**
2

- 3 1. Please see Article II, Sub-Article A, Numbers 4 and 5 above.
4 2. The Grantee’s budget consists of one Budget Line Item:
5 a. 1168 – FSS Coordinator (salary & fringe)
6 Note: ALL costs are recorded on this one BLI – salary and fringe, including any use of a
7 training stipend.
8
9

10 **SUB-ARTICLE E: REPORTING REQUIREMENTS (24 CFR § 984.401)**
11

- 12 1. Grantees must submit a [SF-425](#) to your local HUD field office (or Grant Specialist for
13 PBRA properties) no later than **120 calendar days** after the end of the performance
14 period. The reporting period will cover the performance period of the grant (see Article
15 I, Number 4 above).
16
17 2. PHA Grantees must also ensure that reporting on Section 17 of the HUD-50058 (Section
18 23 of HUD-50058-MTW for Moving to Work PHAs and Section 23 of HUD-50058-
19 MTW-Expansion once that form is implemented) is correct and up to date within the
20 IMS/PIC system, and any future iterations as required by PIH.
21
22 3. PBRA grantees must report annually as required using the Multifamily FSS Reporting
23 Tool and must respond to the standard annual report.
24
25 4. If the total Federal share of any Federal award, including the award under this grant
26 agreement, includes more than \$500,000 over the period of performance, you may be
27 subject to post award reporting requirements reflected in Appendix XII to Part 200-Award
28 Term and Condition for Recipient Integrity and Performance Matters. See Appendix I to
29 Part 200, Title 2; see also Appendix XII to Part 200, Title 2.
30
31 5. Progress Determination. HUD shall determine the Grantee’s progress based upon a
32 review of HUD-50058 Section 17 (and HUD-50058-MTW and HUD-50058-MTW-
33 Expansion Section 23) data submitted to PIC (for PH and HCV programs) and
34 Multifamily FSS annual reporting (for PBRA programs) as well as compliance with
35 financial and reporting requirements.
36
37 6. Annual Report. All Grantees will be required to submit a response to the annual report
38 survey containing non-participant-specific questions, as approved in the FSS Information
39 Collection PRA. A sample is available on the [FSS Resources page](#). The request will be
40 sent electronically and a deadline will be set at that time.
41

- 1 7. Record Management. The HUD field office shall maintain official records on Grantees’
2 performance measures and progress reports. However, Grantees must also maintain such
3 records.
4
- 5 8. Documentation. Grantees shall maintain documentation in participant files (paper or
6 electronic) that corroborate the achievement of each interim and final goal in the Contract
7 of Participation such that an outside auditor could verify the fulfillment of the Contract of
8 Participation. This could include certificates of completion, test scores, pay stubs,
9 receipts, or other third-party verification as available or personal certifications if third-
10 party verification is not available. The FSS Action Plan requires a policy on
11 documentation.
12
- 13 9. Additional Information Requests. Grantees shall comply with all other reporting
14 requirements from time to time established by HUD, in its sole discretion, in connection
15 with FSS. Grantees also agree to:
16 a. fully cooperate with all information gathering requests made by HUD or
17 contractors of HUD in the course of authorized evaluations of FSS; and
18 b. if requested, submit any post-closeout reports, in the forms prescribed by HUD,
19 for up to three years from the date of the submission of the annual financial
20 report, per 2 CFR 200.333 “Retention requirements for records.”
21
- 22 10. HUD has the authority and total discretion to request the Grantee to report information or
23 produce documents to HUD related to or involving the administration of the grant at any
24 time and without need to establish cause. Failure to comply with such a request may
25 serve as a basis for default and grant termination.
26

27 **SUB-ARTICLE F: ADMINISTRATIVE REQUIREMENTS**

- 28
- 29
- 30 1. Grantees must comply with all HUD statutory and regulatory program requirements, as they
31 may be amended within the grant term.
32
- 33 2. Grantees shall maintain, and have access to, copies of documents relating to the award and
34 administration of this grant for at least three years after final closeout date of the grant for
35 inspection by HUD, the Government Accountability Office, or their duly authorized
36 representatives.
37
- 38 3. Grantees’ accounting systems must ensure that HUD funds are not co-mingled with funds
39 from other Federal, State, or local government agencies or other HUD program funds. Funds
40 specifically budgeted and/or received for one program may not be used to support or
41 reimburse another. Where your accounting system cannot comply with this requirement, you
42 must establish a system to provide adequate fund accountability for each program for which

1 you have been awarded funds. Your selection of depository facility (such as a bank for
2 example) shall be compliant with Federal regulations and have insurance from the Federal
3 Deposit Insurance Corporation or the National Credit Union Share Insurance Fund to insure
4 the established account.
5

- 6 4. Grantees agree to comply with the following requirements for which HUD has enforcement
7 responsibility 2 CFR part 200, including procurement requirements and cost principles set
8 forth in 2 CFR part 200, subpart E.
9
- 10 5. Equal Opportunity Requirements. Grant funds must be used in accordance with the
11 following:
 - 12 a. The requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d)
13 (Nondiscrimination in Federally Assisted Programs) and implementing
14 regulations issued at 24 CFR Part 1.
 - 15 b. The Fair Housing and Civil Rights Laws, which encompass the Fair Housing Act and
16 related authorities (cf. 24 CFR 5.105(a)).
 - 17 c. The prohibitions against discrimination on the basis of age under the Age
18 Discrimination Act of 1975 (42 U.S.C. 6101-07) and implementing regulations at
19 24 CFR Part 146, and the prohibitions against discrimination against handicapped
20 individuals under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794)
21 and implementing regulations at 24 CFR Part 8.
 - 22 d. The requirements of Executive Order 11246 (Equal Employment Opportunity)
23 and the implementing regulations issued at 41 CFR Chapter 60.
24
- 25 6. The regulations in 24 CFR 87, related to lobbying, including the requirement that the Grantee
26 obtain certifications and disclosures from all covered persons.
27
- 28 7. Drug-free Workplace Requirements (Grants) in Drug-Free Workplace Act of 1988 ([41 U.S.C.](#)
29 [8101](#)) *et seq.*, as amended, and implementing regulations at 2 CFR 2429.
30
- 31 8. Restrictions on participation by ineligible, debarred or suspended persons or entities at 2 CFR
32 Part 2424, Subparts A through J, which are applicable to contractors and sub-grantees.
33

34 *Other applicable regulations.*

- 35
- 36 9. Grantees' computer systems must operate in accordance with HUD's computer systems and
37 software to facilitate any and all electronic documents for conversion to HUD computer
38 systems and software. That is, when sending/transferring documents, or e-mail to HUD, the
39 systems must be compatible so that we receive an exact copy.
- 40 10. Grantees' computer and information systems must be able to access HUD's website(s) so
41 that data can be inputted as may be required by the grant; information can be retrieved; and
42 funding through HUD's eLOCCS system may be accessed.

1
2
3 **SUB-ARTICLE G: GRANT CLOSEOUT (2 CFR § 200.344)**
4

- 5 1. Closeout prescribes uniform closeout procedures for recipients of Federal grants. It is the
6 Grantee’s responsibility to comply in full with all closeout reporting requirements and to
7 submit closeout reports in a timely manner.
8
- 9 2. The Grantee understands and agrees that the grant automatically terminates upon the end date
10 of the period of performance and that it is the Grantee’s obligation under Federal regulations,
11 the Notice of Funding and this Agreement to initiate project closeout within **30 calendar**
12 **days** of the grant’s termination date.
13
- 14 3. The Grantee recognizes that the closeout process will entail review by HUD to determine
15 compliance with the Grant Agreement and Federal regulations. The Grantee shall cooperate
16 with any and all reviews which may include making available records requested for on-site
17 HUD inspection.
18
- 19 4. Within **120 calendar days** after the Period of Performance End Date the grant or any
20 approved extension (revised end-date), you must submit the following documents to the
21 HUD field office:
22 a. A Certification of Project Completion, which is a statement written and signed by you
23 b. A Certification of Compliance with all requirements of the Grant Agreement, which
24 is a statement written and signed by you
25 c. **Financial Report (SF-425) (see Sub-Article E).** Grantees must submit an SF-425
26 for the 12-month period of the grant. This submission also serves as the Grantee’s
27 final report which is a cumulative summary of expenditures to date and must indicate
28 the exact balance of unexpended funds. (The report shall cover the grant start date to
29 the end of grant period of performance).
30
- 31 5. The HUD local field office will review Preliminary Close-Out Materials to confirm that:
32 a. The amounts on the final FSS Budget and SF-425 agree as to funds approved,
33 obligated, and expended.
34 b. The amount of funds approved and disbursed on the SF-425 agrees with HUD records
35 in eLOCCS.
36 c. If HUD disbursed more funds than the Grantee expended, the Grantee will
37 immediately remit to HUD the excess funds, without waiting for completion of the
38 final audit.
39
- 40 6. When the final HUD form SF-425 is approved, HUD will establish the amount due and
41 recapture any unused grant funds, as applicable.
42

- 1 7. When the HUD field office has determined to its satisfaction that the grant activities were
2 completed and all Federal requirements were satisfied, the HUD field office will execute a
3 closeout amendment to the Grant Agreement with the Grantee.
4
- 5 8. The Closeout Agreement or clause will include the Grantee's agreement to abide by any
6 continuing Federal requirements.
7
- 8 9. Failure to submit the required financial report or any required audit report; or to resolve
9 program, financial or audit issues, will be determined to be a default under this Grant
10 Agreement and may result in a suspension or termination of any and/or all HUD grant
11 payments.
 - 12 a. If the Grantee does not submit all reports within one year of the period of
13 performance end date, HUD must report the Grantee's material failure to comply with
14 the terms and conditions of the award in SAM.gov. HUD shall use the Contractor
15 Performance Assessment Reporting System (CPARS) to enter or amend information
16 in SAM.gov, pursuant to 2 CFR 200.344(h-i).
 - 17 b. HUD may also pursue other enforcement actions per 2 CFR [§ 200.339](#).
18
19

20 SUB-ARTICLE H: DEFAULT

21 **Unsatisfactory Performance/Default**

- 22 1. **Default.** A default under this Agreement shall consist of any failure to comply with Federal
23 statutes, regulations, or the terms and conditions of the FSS grant, any failure to comply with
24 the FSS Funding Notice(s), or any material misrepresentation in the application submissions.
25 If HUD determines that the Grantee has defaulted under this Agreement, HUD may take any
26 remedial action legally available, including remedial actions outlined in 2 CFR part 200.
27 Actions that may constitute a default under this Agreement include, but are not limited to:
28
29
 - 30 a. use of funds provided under this Grant Agreement for any purpose, in any manner or at
31 any time, other than as authorized by this Grant Agreement;
 - 32 b. failure to comply with the FSS Program Requirements or any other Federal, State, or
33 local laws, regulations, or requirements applicable in operating the FSS Program;
 - 34 c. failure to make any submission under Article II, perform any obligation, or otherwise
35 fail to proceed in a manner consistent with the Funding Notice application;
 - 36 d. any material misrepresentation in any of the required submissions, including, without
37 limit, any misrepresentations in any of the submissions required by Article II); or
 - 38 e. failure to comply with, or any material breach of, any other requirements, conditions,
39 or terms of this Grant Agreement.
40
- 41 2. **Additional Conditions.** If a Grantee defaults under this Agreement, HUD may impose
42 additional conditions, as described in 2 CFR 200.208. Additional conditions will be

1 imposed in compliance with 2 CFR 200.208(c). Additional conditions HUD may impose
2 may include, but are not limited to:

- 3 a. Requiring additional, more detailed financial reports;
- 4 b. Requiring additional grant monitoring;
- 5 c. Requiring the Grantee to obtain technical or management assistance;
- 6 d. Establishing additional prior approvals;
- 7 e. Requiring the Grantee to follow a HUD-approved detailed schedule of grant
8 activities;
- 9 f. Requiring HUD manual review and approval of every drawdown request.

- 10
- 11 3. **Other Remedies.** If HUD determines that a default cannot be remedied by imposing
12 additional conditions, HUD may, pursuant to 2 CFR 200.339, take one or more of the
13 following actions, as a proportional response:
- 14 g. Temporarily withhold cash payments pending correction of the deficiency by the
15 Grantee or more severe enforcement action by HUD.
 - 16 h. Disallow all or part of the cost of the activity or action not in compliance.
 - 17 i. Wholly or partly suspend or terminate the grant.
 - 18 j. Initiate suspension or debarment proceedings as authorized under 2 CFR part 180
19 and HUD regulations.
 - 20 k. Withhold further grant awards for the program.
 - 21 l. Reduce the FSS Program Grant in the amount affected by the default.
 - 22 m. Recapture any FSS Program Grant funds not obligated by the Grantee.
 - 23 n. Take action against the Grantee under 2 CFR part 2424 and Executive Order 12549
24 with respect to future HUD or Federal grant awards.
 - 25 o. Take other remedies that may be legally available, including requiring
26 reimbursement by the Grantee for grant amounts used improperly.

- 27
- 28 4. **Notice of Termination and Opportunity to Object.** If the Grantee materially defaults
29 under this Agreement, HUD may terminate the grant. Any findings regarding a Grantee's
30 failure to abide by the terms of this grant that would support a termination of funding shall
31 be exclusively within HUD's discretion. Additionally, pursuant to 2 CFR 200.340(a)(2),
32 this grant may be terminated in whole or in part by HUD, to the greatest extent authorized
33 by law, if an award no longer effectuates the program goals or agency priorities. If HUD
34 pursues termination of the grant, HUD will follow the termination process established in 2
35 CFR part 200, including providing notice of termination pursuant to 2 CFR 200.341.
36 Pursuant to 2 CFR 200.342, HUD will also provide the Grantee an opportunity to object
37 and provide information and documentation challenging a termination.

- 38
- 39 5. **Delinquent Federal Debts.** Consistent with the purposes and intent of 31 U.S.C. 3720B
40 and 28 U.S.C. 3201(e), Grantees with an outstanding federal debt must provide to HUD a
41 negotiated repayment schedule which is not delinquent or have made other arrangements
42 satisfactory to HUD. If arrangements satisfactory to HUD cannot be completed within 90

1 days of notification of selection, HUD will not make an award of funds to the Grantee but
2 offer the award to the next eligible Grantee. Applicants selected for funding, or awarded
3 funds, must report to HUD changes in status of current agreements covering federal debt. If
4 a previously agreed-upon payment schedule has not been adhered to or a new agreement
5 with the federal agency to which the debt is owed has not been signed, the Grantee will be
6 considered to be in default under this Agreement.
7
8

9 **SUB-ARTICLE I: GRANT MODIFICATION OR TERMINATION**
10 **BY AGREEMENT BETWEEN HUD AND GRANTEE**
11

- 12 1. HUD and the Grantee may mutually agree to modify this agreement as to time, cost, or
13 activity by using the Notice of Award and/or Grant Agreement in whole or in part, at any
14 time.
15
- 16 2. Pursuant to 2 CFR 200.340(a)(3), HUD and the Grantee may mutually agree to terminate the
17 agreement, including for convenience; if HUD and the Grantee agree to terminate the
18 Agreement, the two parties must agree upon the termination conditions, including the
19 effective date and, in the case of partial termination, the portion to be terminated. Pursuant to
20 2 CFR 200.340(a)(4), the Grantee may terminate the Agreement upon sending to HUD
21 written notification setting forth the reasons for such termination, the effective date, and, in
22 the case of partial termination, the portion to be terminated. If either HUD or the Grantee
23 seeks to terminate this agreement, it must provide at least 30 days' advance written notice to
24 the other party.
25
26

27 **SUB-ARTICLE J: DISPUTES**
28

29 Disputes between the Grantee and HUD shall, to the maximum extent possible, be
30 resolved by mutual agreement between the Grantee and the Public Housing Director in the Field
31 Office for PH and HCV programs, or the Asset Management Division Director for PBRA
32 programs (Grant Officer). If agreement cannot be reached, the Grantee can submit, in writing, a
33 disputed issue to the Grant Officer. The Grant Officer will consider the disputed issue and
34 prepare a written decision. The Grantee may appeal the Grant Officer's decision within 30 days
35 after receipt of notification. Appeals will be reviewed by the Director of Community and
36 Supportive Services, Office of Public Housing Investments, 451 7th Street, SW, Room 4130,
37 Washington, D.C. 20410. The decision of the Director of Community and Supportive Services
38 shall be final. However, the Grantee does not waive any legal remedy by agreeing to this
39 provision.
40

41 **SUBARTICLE K: MONEY DAMAGES**

1 This Grant Agreement does not contemplate money damages for breach of the agreement
2 by HUD. However, the Grantee may be required to reimburse HUD for any funds determined to
3 be misused under the Funding Notice(s), any applicable HUD regulations, Handbooks, and
4 Notices. The Grantee is entitled to any relief against HUD for breach of the agreement that is
5 provided by the Administrative Procedure Act.
6
7

8 **ARTICLE III: GRANTEE PERFORMANCE** 9

10 HUD will judge performance based upon whether the Grantee achieves the agreed upon
11 activities within grant time limits and within budget and whether the Grantee has produced
12 tangible results through the implementation of grant activities.
13

14 **Public Housing Information Center (PIC) or Housing Information Portal (HIP).**

- 15 • All PHA FSS programs must report activities of their FSS enrollment, progress, and exit
16 activities of their FSS program participants through required submissions of the form
17 HUD-50058 at least annually. HUD's assessment of the accomplishments of the FSS
18 programs of PHAs funded under this NOFO will be based primarily on PIC/HIP system
19 data obtained from forms HUD-50058, HUD-50058-MTW, and HUD-50058-MTW-
20 Expansion.
- 21 • All PBRA programs must report at least annually via the Multifamily FSS Reporting
22 Tool.
- 23 • HUD requires submission of racial and ethnic data and form (HUD-27061-H) that is
24 often used for that purpose. PBRA properties with FSS programs must submit form
25 HUD-27061-H to their Grant Specialist. For PH and HCV programs, the HUD-50058,
26 HUD-50058-MTW, and HUD-50058-MTW-Expansion forms, which provide racial and
27 ethnic data to HUD's PIC/HIP data system, are comparable program forms that must be
28 submitted annually instead of the HUD-27061-H by PHAs for reporting racial and ethnic
29 data for FSS program participants. See Notice PIH 2016-08, and any subsequent
30 amendments to the notice, for information on FSS reporting requirements in PIC. A
31 series of webcast trainings on the provisions of PIH 2016-08 was published on August
32 12, 2016. Also note that HUD updated the warnings and fatal edits related to FSS PIC
33 reporting. All of the preceding documents and information can be found on the [FSS](#)
34 [Resources webpage](#).
35

36 **Voucher Management System (VMS).** Due to the combined funding streams starting with the
37 FY 2014 FSS NOFO, PHAs must not use VMS to report HCV FSS coordinator expenses for
38 funds made available under the Funding Notice, and this Grant Agreement. PHAs must continue
39 to enter the amount of HCV FSS escrow deposits and HCV FSS escrow forfeitures into VMS for
40 all funds made available. Also note that amounts expended in excess of the FSS grant for costs
41 associated with the administration of the FSS program which are allocated to the HCV program

1 including the FSS coordinator's salary and benefits as well as additional eligible costs such as
2 office space, computer costs, office supplies, etc. must be reported in VMS as administrative
3 expenses. PHAs with an FSS program serving both PH and HCV families with costs not
4 chargeable to funds awarded under this Grant Agreement will be required to develop a cost
5 allocation method that allocates these expenses fairly between the two programs. See REAC
6 Accounting Brief #26 and PIH Notice 2022-20 and any subsequent revisions for information on
7 how to record and account for FSS expenses.

8
9 **ARTICLE IV: GRANTEE MISREPRESENTATION**

10
11 The Grantee or any subcontractor to the Grantee bound by this instrument who makes or
12 causes to be made a false statement, claim, or misrepresentation, which the Grantee or entity
13 knows or has reason to know is false, may be imprisoned and/or fined in accordance with civil or
14 criminal penalties and/or fines applicable under law, including Title 18 of the United States Code
15 (U.S.C.), Title 31, et seq. (Program Fraud Civil Remedies Act) and any other applicable
16 provisions of Federal, State or local law.
17
18

1
2
3 **APPENDIX**

4 **The FSS Program Coordinator is essential for the full execution of the FSS program.**

5 These responsibilities include, but are not limited to, the implementation or supervision of
6 the following activities:

7 A. Develop and maintain an approved FSS Action Plan.

8 B. Establish and maintain partnerships with employers and service providers in the
9 community, including forming a Program Coordinating Committee (PCC) with local service
10 providers for PHAs, to ensure that participants in the Family Self-Sufficiency (FSS) program
11 are connected to supportive services. It is mandatory for PHAs to have a PCC, while owners
12 of PBRA are encouraged to do so.

13 C. Job development functions, such as outreach to potential employers, to support
14 participants in achieving economic independence.

15 D. Increase access to financial capabilities that ultimately help them reach their goals and
16 achieve self-sufficiency and financial stability.

17 E. Design and implement an outreach plan to enroll FSS participant families.

18 F. Execute a Contract of Participation (CoP) between the PHA or PBRA owner and
19 participating families.

20 G. Prepare Individual Training and Services Plans (ITSP) with the designated FSS Head
21 of Household and each additional adult member of the FSS family who elects to participate
22 in the FSS program and appended to the Contract of Participation.

23 H. Ensure that the services and support included in the participants' CoPs are provided on
24 a regular, ongoing and satisfactory basis.

25 I. Monitor participants' progress and connect them with supports to help them fulfill their
26 responsibilities under their CoPs, promote opportunities for them to increase their income,
27 and help address and eliminate barriers to program advancement and graduation.

28 J. Establish and maintain FSS escrow accounts for eligible families, including ensuring
29 that funds are transferred monthly to PHA's or PBRA Owner's financial institution,
30 providing at least an annual statement of the escrow account balance to participants, and
31 ensuring that interest is properly credited.

32 K. Oversee and administer the account of forfeited escrow funds in accordance with 24
33 C.F.R. § 984.305(f)(2) and local policy.