
CHAPTER 1. Introduction

1-1 PURPOSE OF THIS HANDBOOK.

- A. This Handbook contains instructions for the administration of the grant programs of the Office of Resident Initiatives (ORI), Office of Public and Indian Housing (PIH), by Field Offices and Offices of Indian Programs (referred to herein as local HUD Offices). The ORI grant programs are implemented by soliciting grant applications, announced by Notices of Funding Availability (NOFAs) in the Federal Register, usually on an annual basis subject to the availability of appropriated funds. With each NOFA, Headquarters issues an application kit for use by eligible applicants in applying for a grant. Grant applications are processed using procedures in this Handbook for receipt, screening, review and scoring of applications, selection of applicants for funding, grant agreement execution, payment procedures, monitoring of grant activities and expenditures, review of grantee semi-annual and final reports, and grant agreement amendments and closeout.
- B. The responsibilities of local HUD Offices covered by this Handbook begin with the receipt of applications in response to a particular NOFA and continue through the life cycle of grant agreements for applicants selected for funding. Emphasis has been placed on the uniformity of the entire grant process over the past few years to FY 1992 when the procedures used were issued by specific program Notices that are now being incorporated into this Handbook. Grantee responsibilities are also included in this Handbook from initial grant agreement execution through closeout.
- C. The programs covered by this Handbook and their related statutes and regulations/program guidelines in effect at the time of issuance are listed below, which contain the legal authorizations for the programs and the implementing regulations/program descriptions and requirements respectively.
1. Resident Management Technical Assistance:

Section 20 of the U.S. Housing Act of 1937
24 CFR Part 964 (Final Rule)
 2. Drug Elimination Program:

Title V of the Anti-Drug Abuse Act of 1988
24 CFR Part 961 (Final Rule)

3. Youth Sports Program:

Section 520 of the National Affordable Housing Act of 1990
24 CFR Part 961 (Proposed Rule, 56 FR 50772, October 8, 1991)*

4. HOPE 1 Planning and Implementation:

Subtitle A of Title IV of the National Affordable Housing Act of
1990
Program Guidelines (Revised, 57 FR 1522, January 14, 1992)*

* Final Rule pending.

- D. The reader is advised that no document is all-inclusive. While the Department has attempted to cover all essential stages of the life-cycle of a grant program, there are likely to be situations which arise that have not been specifically addressed. To that extent, readers are urged to discuss those situations with HUD staff to address those specific questions and issues. It is anticipated that this Handbook will need revision with operational experience and, therefore, constructive feedback is encouraged.
- E. Regulatory as well as additional Handbook requirements are set forth herein. The Handbook uses certain terms consistently to distinguish between what is required and what is suggested. These terms are as follows:
1. "Shall" and "must" mean that the action is mandatory or required to obtain or retain a status of compliance with all requirements for HUD staff and grantees as applicable. Mandatory relates to statutory or regulatory requirements. Other required actions may relate to OMB Circulars or other standards relating to grant administration, records retention, etc.
 2. "Should" means that the action is recommended but is not mandatory or required.
 3. "May" means that the action is permissive or optional and not mandatory or required.

1-2 APPLICABILITY.

- A. The procedures in this Handbook incorporate those used for the grant awards made beginning in FY 1992 which were issued in a series of specific program PIH Notices that covered grant application processing, grant agreement execution, payment procedures, and, except for HOPE 1, monitoring, etc. to grant agreement closeout. A significant difference between FY 1992 and this Handbook is that this Handbook reflects grant application processing, scoring, and data entry at the local HUD Office level rather than the Regional Office as was the case for FY 1992. The PIH Notices related to the FY 1992 grant program cycle are listed in Appendix 1.
- B. Procedures for pre-FY 1992 grants are defined in specific program PIH Notices and/or memoranda issued by Headquarters. The procedures of this Handbook do not supersede those prior year instructions. However, readers concerned with the drug elimination grants are advised to refer to PIH Notice 92-39, Public and Indian Housing Drug Elimination Grant Program, Grant Execution and Monitoring Instructions, September 16, 1992, which states, "This Notice... Replaces and provides additional reporting, monitoring, and grant closeout requirements for FY 1989 through FY 1991 PHDEP grantees".
- C. There are many differences in the processing and grant management procedures of this Handbook compared to pre-FY 1992 years--too many to enumerate for any practical benefit. However, one major difference is to be noted. For FY 1992, all grant programs were implemented using new payment procedures for the grantees under the Line of Credit Control System - Voice Response System as described herein.

1-3 GRANT PROGRAM DATA MANAGEMENT. In connection with issuance of this Handbook, a new Resident Initiatives SMIRPH/MIRS Module has been developed, tested, and implemented for the ongoing grant programs in the FY 1993 grant cycle. This new module and accompanying user guide will complement this Handbook and provide for all automated data management requirements for all phases of the grant programs from receipt of applications through grant closeout. The module has been designed to match the phases of the grant life-cycle with sequential data entry as each stage is reached, thereby being all inclusive rather than having different modules for the different stages.

1-4 ON-SITE MONITORING. The procedures for determining the need for on-site monitoring visits of grantees by local HUD Office staff using a risk assessment approach, the procedures for the HUD staff to follow

in preparing for, conducting, and reporting results of the on-site visits, and the monitoring checklists to use during the visit are to be contained in Handbook 7460.7 REV-2, Field Office Monitoring of Program Participants, for public housing and Handbook 7440.3 REV-3, The Indian Housing Monitoring Handbook.

1-5 REFORM ACT PROVISIONS. 24 CFR Part 4, Prohibition of Advance Disclosure of Funding Decisions, implements section 103 of the HUD Reform Act of 1989. Amendments to the rule were issued in the Federal Register August 4, 1992, 57 FR 34246. Prohibition of advance disclosure of information as well as permissible disclosures are covered which must be complied with during the funding round. The funding round begins when Headquarters initiates a request for applications for assistance for publication in the Federal Register and ends with the announcement of selected recipients of assistance by HUD. These restrictions apply to all HUD employees and are summarized below (readers should refer to the amended rule noted above for more complete information):

- A. Prohibited disclosures before the deadline for the submission of applications includes the identity of any applicant and the number of applicants. Prohibited disclosures at any time during the funding round includes the relative standing of any applicant, the amount of assistance requested by any applicant, and any information contained in an application.
- B. Permissible disclosures during the funding round includes information with respect to the requirements of a HUD program or programs, including unpublished policy statements and the provision of technical assistance concerning program requirements, provided that the requirements or statements are disclosed on a uniform basis to any applicant or potential applicant. Technical assistance includes such activities as explaining and responding to questions about program regulations, defining terms in an application package, and providing other forms of technical guidance that may be described in a NOFA. Before the deadline for the submission of applications, technical assistance may include identification of those parts of an application that need substantive improvement, but does not include advising the applicant how to make those improvements.