

MEMORANDUM OF AGREEMENT
BETWEEN
THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
AND
THE DEPARTMENT OF THE ARMY
Effective September 1993

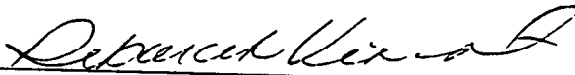
Amendment No. 2

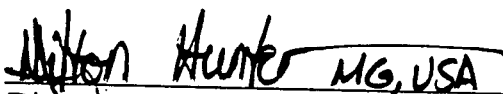
Article IX - Funding

At sentence 2 delete "payment" [insert quarterly payments] and delete "by check" [insert by mutually acceptable method].

U.S. Department of Housing and
Urban Development

U.S. Army Corps of Engineers


General Deputy Assistant Secretary for
Public and Indian Housing


Director of Military Programs

Date: 8-18-1998

Date: 8-31-1998

IMPLEMENTING INSTRUCTIONS - HUD PROGRAMS

Guidance for Executing the
Memorandum of Agreement between
The Department of Housing and Urban Development
and
The Department of the Army

I. DEFINITIONS

- A. **Annual Work Plan** - A meeting between the Corps of Engineers District Office (COE) and the HUD Field Office (HUD) shall be held annually to determine the Work Plans as required by the Memorandum of Agreement (MOA). HUD may use information from its annual Risk Assessment to develop the Annual Work Plan.
- B. **Contract Administration Review** means the COE's review of Housing Authority (HA) procurement procedures for professional Architect/Engineer (A/E) and construction services and procuring equipment and materials in accordance with 24 CFR 85.36 (For Mixed Finance HOPE VI, 24 CFR 941 subpart F) and related HUD program requirements. This includes but is not limited to:
1. determining that the solicitation procedures including advertisement and award, as well as the contract documents satisfy all HUD requirements;
 2. overseeing HA contracts to ensure that the frequency and quality of inspections by the HA's A/E are adequate for contract completion in accordance with the plans and specifications;
 3. assuring contract modifications are: within scope and not already a part of the executed contract (repetitive); essential to the completion of the contract work; and related additive/deductive costs and time extensions are reasonable; and
 4. determining that payments to the contractors adequately reflect the completion status of the contract work and are consistent with the schedule of payments.
- C. **Deficiency** - Nonconformance with contract requirements.
- D. **Findings** - A violation of Annual Contributions Contract (ACC), Regulatory or Statutory requirements.
- E. **Force Account Labor** is labor directly employed by the HA on either a permanent or a temporary basis.

- F. HUD's Inspection/Review Procedures are provided in the Monitoring Guidebook dated April, 1993 - Construction Quality Review of Public and Indian Housing. The COE shall use its knowledge and expertise to assure that the construction work meets: the plans and specifications; the Modernization Standards in HUD Handbook 7485.2, as revised; "Guidelines for Evaluation and Control of Lead-Based Paint in Housing"; and the general construction industry performance standards. The COE reports will be in the sample format as attached.
- G. Observations - Comments, opinions or recommendations regarding HA and contractor performance.
- H. Physical Inspection (interim and final) means monitoring the construction and performing designated tasks for assuring good quality of construction. Major tasks include:
1. reviewing the plans and specifications in preparation for conducting the on-site inspection of a development where work is carried out by contract or force account;
 2. conducting on-site construction inspections to assure compliance with contract documents, modernization and energy conservation standards and other federal requirements;
 3. preparing a report on each inspection including listing of the identified findings, deficiencies, and observations with proposed solutions and recommendations;
 4. discussing the results of the inspection before leaving the site with the HA's Executive Director or designee;
 5. submitting a written inspection report to HUD within fifteen calendar days of the inspection;
 6. recommending to HUD whether a follow-up visit (where none have been scheduled) is needed to assure that deficiencies identified have been corrected;
 7. participating in the final inspection as directed by HUD.
- I. Plans and Specifications means the documents developed by an A/E for procuring equipment or construction services.

- J. **Pre-Bid Review** - the review of proposed bidding or turnkey documents including plans, specifications, site engineering, feasibility studies, work write-ups, cost estimates, and budgets to assure compliance with the current Federal requirements and free from omissions that may lead to contract modifications during the contract (Bidability, Constructibility, Operability [BCO] Review). This is not applicable to force account labor.
- K. **Program Reviews** - Comprehensive reviews of program requirements for modernization, development, MROP, HOPE VI, TARC et cetera.
- L. **Risk Assessment** - HUD's formal process for prioritizing need for reviewing HAS. HUD may choose to include the COE's participation in this process. HUD may use its Risk Assessment process to develop the Annual Work Plan in conjunction with the COE.
- M. **Work Order** - the document prepared by HUD which identifies specific inspection and review actions to be carried out by the COE staff. It includes the type of work, schedule of work and estimated costs (to be provided by the COE.) At the completion of the work order, the COE's actual costs shall be included on the work order by the COE and both HUD and the COE shall sign off.

II. STATEMENT OF WORK

- A. The COE under this agreement shall: furnish all materials, equipment, services, and facilities; provide its own transportation; and execute tasks incident to or stated in the work orders and described in the definitions. When acting as HUD's agent, the COE shall: have right of entry and free access to the development; and inspect all work as directed in the work order (including materials, equipment and fixtures furnished, installed or stored in and about the development.)
- B. The COE shall designate a contact person in each of its District offices. The HUD Office of Public Housing Director or designee shall prepare work plans with the assistance of the COE. The work plans shall: be prioritized by HUD; contain the HA programs to be reviewed; contain the developments to be inspected; specify the frequency of inspections; identify tasks to be performed for each inspection/review; and include the estimated cost of the task as provided by the COE. HUD shall be responsible for monitoring the HA where the development(s) are to be inspected according to the work plan schedule.

- C. HUD shall prepare and send to the COE a work order quarterly for HAs to be reviewed/inspected on the attached form. The work order shall contain the tasks to be performed by the COE at identified development(s) at a particular HA and the period in which they are to be performed. Tasks typically included in the work order are described in the Section I, DEFINITIONS. Any specific instructions to the COE concerning inspection/review of development(s) shall be put in the comments section of the work order by HUD. The COE shall estimate the cost for conducting the inspections identified in the work order and send it back to the HUD office. The HUD Office of Public Housing Director, after determining the reasonableness of the estimated cost and signing the work order, shall deliver or fax it to the COE District Office for accomplishing the requested inspections/reviews.
- D. After receiving the work order, the COE shall contact HUD to receive further instructions regarding the contact person on-site and the HA phone number for contacting the HA before inspection/review. HUD shall advise the HA to be inspected to provide a set of the development(s) plans and specifications (where the work is being carried out by contract) to the COE for its review before the on-site inspection. HUD also shall inform the HA of the date and time of the inspection to be conducted by the COE representative after confirmation by the COE. The COE shall review the development(s) plans and specifications furnished by the HA prior to the inspection. For contract administration reviews, HUD shall advise the HA to provide access to the COE representative to all necessary records of the particular project(s) being reviewed. For adequacy of pre-bid reviews, HUD shall advise the HA to provide a set of pre-bid documents in sufficient time for the COE to review before the project is advertised for bids.
- E. If HUD determines that it is necessary to make changes to an existing work order, an amended work order may be issued any time following the procedures for issuing a new work order.
- F. The COE shall: include in each inspection report any identified safety or health hazard; discuss identified hazards with the HA's Executive Director or designee before leaving the site; immediately notify the HA's Executive Director or designee, and HUD, of any observed safety or health hazards which endanger life or threaten serious injury or property damage.

III. FUNDING

Based on the Annual Work Plans determined jointly by the COE and HUD, HUD Headquarters will provide funds to the COE Headquarters on a quarterly basis. The funds will be transmitted by Electronic Fund Transfer (EFT). If either agency is unable to complete the transaction by EFT, HUD shall make payment to the COE by check transmitted in advance of the work being accomplished to CDR HQUSACE (CERM-FC), 20 Massachusetts Avenue NW, Washington, D.C. 20314-1000. The ordering document in accordance with the Economy in Government Act shall be HUD Form 730, "Award/Modification of Interagency Agreement (IAA)," (with attachment). This form is the HUD document required to obligate the funds transmitted to the COE.

Funds received on a quarterly basis from HUD will be distributed to the COE districts upon receipt in COE Headquarters of an approved work order, signed by both HUD and COE representatives.

IV. REPORTING

A. After completion of an inspection/review, the COE shall prepare a report for each of the following in the attached formats:

1. For Physical Inspections, the required report form includes:

- a. Any deviations from the plans and specifications of executed contracts; any contract modifications which have not been approved or documented; and instances of deviations from the HUD modernization and energy conservation standards and Lead-Based Paint Guidelines;
- b. Any deviations and or deficiencies in construction materials or procedures and recommendations to correct deficiencies;
- c. Any deficiencies in contract administration and recommendations for immediate and long-term corrective measures; and
- d. Recommendations for follow up inspection(s) to assure that the deficiencies are corrected.

2. For Contract Administration Reviews:

Any deficiencies/irregularities found in the contract administration shall be submitted to HUD within fifteen calendar days of completion of the review. HUD, after review of the report, shall advise the HA of any corrective action required in that project or future projects.

3. For Pre-Bid Reviews:

Any deficiencies of Federal requirements found shall be submitted to HUD within fifteen calendar days of completion of the review. HUD shall review the report and advise the HA of any corrective action before the project is advertised for bids.

4. For Program Reviews:

Any deficiencies/irregularities found in the effective implementation of Modernization (CGP, CIAP), HOPE VI and development programs shall be submitted to HUD within fifteen calendar days of completion of the review. HUD shall immediately review the report(s) and advise the HA of any corrective action required within five(5) days.

B. For all inspections/reviews, the COE shall discuss the inspection results and the corrective action required with the HA on-site representative and shall submit the report to HUD within fifteen calendar days of the inspection. HUD shall examine the report for completeness and shall send a copy to the HA with a form transmittal letter to be signed by the Office of Public Housing Director. If warranted, HUD shall contact the COE representative to discuss the areas of concern on the report and advise on corrections. The report shall reach the HA no later than 30 calendar days after the on-site inspection is completed. Within 60 calendar days of the inspection, the HA shall furnish HUD a written report of actions taken or to be taken as appropriate to remedy the findings and/or accomplish the recommendations contained in the HUD-approved COE inspection report. A copy shall be provided to the COE.

A. The COE shall transmit the inspection/review report with a cover letter that identifies the findings resulting from the inspection/review. Deficiencies and observations shall be included in the body of the report. HUD shall review the findings for accuracy and applicability. Discrepancies found by HUD should be discussed with the COE. HUD will create a cover letter to the report that identifies the findings, required corrective actions, and time frames for completing the corrective actions. HUD will transmit the cover letter and report to the HA.

- D. The COE Headquarters shall provide HUD Headquarters a national summary report within 60 days after the end of each Fiscal Year summarizing the major defects found during the inspections for each HUD geographic jurisdiction (HUB/Program Center.) The report shall address, but not be limited to, the following categories: conformance of plans and specifications with the HUD modernization and energy conservation standards; adherence to construction schedule; major deficiencies in the construction materials and workmanship; major deficiencies in the contract administration; and recommendations for improvement in carrying out the work.
- E. The COE shall submit quarterly and annual financial reports reflecting the funds expended and remaining for each HUD Field Office to the HUD Field Office and HUD Headquarters. HUD Headquarters may rearrange the allocation of funds for each Field Office based on the quarterly reports and the projected need for inspections by each Field Office. The HUD Field Office shall amend its schedules according to the available funds.
- F. The COE District Office shall submit to the HUD Field Office monthly reports which document the expense and status of open work orders.

These implementing instructions may be modified or amended only by written, mutual agreement of both parties.

U.S. Department of Housing
and Urban Development

U.S. Army Corps of Engineers

Deborah Vincent
General Deputy Assistant Secretary
Public and Indian Housing

Milton Hunter *MG, USA*
Director of Military Programs

Date: 8-18-1998

Date: 8-31-1998

Attachments

PHYSICAL INSPECTION REPORT
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)
_____ FIELD OFFICE

I. GENERAL

A. Inspection:

1. Date:
 - a.) Date of Current Inspection:
 - b.) Date of Last Inspection:
2. W.O./Task No.:
3. Inspection No.:
4. Type Inspection:
Monthly: _____ Final: _____
5. Type Funding:
Mod. (CIAP): _____ Mod. (CGP): _____ Dev.: _____ Hope VI _____
6. HUD Contract No.:
7. Participants:

<u>Name</u>	<u>Title</u>	<u>Organization</u>
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B. Development Data:

1. Housing Authority (HA) Name:
2. Development Name/Number:
3. Development Location (Address, City, State):

C. Contractor Data:

1. Prime Contractor's Name:
City/State:
2. A/E's Name:
City/State:

3. Other, Name: ,
Title:
City/State:

D. Contract Data:

1. Project/Contract Description (SOW):

2. Contract Amounts:

a.) Original:

b.) Total Cost of Change Orders:

Number of Change Orders:

c.) Current (a+b):

3. Period of Performance and Progress:

a.) Is contract on schedule?

Yes ____ No ____

Comments:

b.) Does HA have an updated progress schedule?

Yes ____ No ____

Comments:

c.) Actual percent complete: ____

II. **PHYSICAL INSPECTION**

A. Construction Quality:

1. Locations/Units Inspected:

2. Does the construction conform to the approved plans, specifications, and change orders?
Report any current deficiencies.

Yes ____ No ____

Comments:

3. Is the HA carrying out the work in accordance with HUD modernization and energy conservation standards?

Yes ____ No ____

Comments:

4. Are materials and equipment at the project being properly protected and stored prior to installation?

Yes ____ No ____

Comments:

5. Are handicap-accessible units and other handicap construction in accordance with UFAS and HUD regulations/requirements?

Yes ____ No ____ N/A ____

Comments:

6. Are lead-based paint abatement requirements properly being followed (application, worker protection, cleanup, and disposal, etc.)?

Yes ____ No ____ N/A ____

Comments:

7. Are asbestos abatement requirements properly being followed (application, worker protection, cleanup, and disposal, etc.)?

Yes ____ No ____ N/A ____

Comments:

B. Deficiencies and Problems:

1. Previously reported deficiencies/observations and corrective action taken:

2. Were there any safety deficiencies observed?

Yes ____ No ____

Comments:

III. CONTRACT ADMINISTRATION

A. Oversight Control:

1. How often are inspections being performed (if no inspections being performed, explain why not):

HA ____ A/E ____ Other ____

Comments:

2. Is A/E performing inspections as required by his contract and providing timely inspection reports to the HA?

Yes ____ No ____ N/A ____

Comments:

3. Does HA take appropriate action to ensure quality, progress, and in correcting defects and deficiencies in the contractor's work?

Yes ____ No ____

Comments:

4. Is the HA exercising control over the project?

Yes ____ No ____

Comments:

B. Quality Control:

1. Is a daily construction report or log, documenting progress, quality assurance, deficiencies, corrective actions taken, change orders, etc. being maintained by HA or AE?

Yes ____ No ____

Comments:

2. Are submittals and shop drawings being properly processed (are they adequate and timely)?

Yes ____ No ____

Comments:

3. Is HA keeping plans, specifications, change orders, shop drawings, pay estimates, etc. in an orderly fashion and up-to-date?

Yes ____ No ____

Comments:

4. Are tests for materials and equipment being conducted according to the specifications, done in a timely fashion, noted in logs and reports, and kept up to date?

Yes ____ No ____

Comments:

5. Does the contractor provide adequate supervision and direction of the work?

Yes ____ No ____

Comments:

6. Contractor keeps worksite relatively clean and free of excess debris during construction and, performs a satisfactory cleanup at the end of the job?

Yes ____ No ____

Comments:

7. Are "As-Built" drawings being maintained?

Yes ____ No ____

Comments:

C. Miscellaneous:

1. a.) Is there any Force Account Work being performed? b.) If yes, are labor, materials, and equipment usage being properly documented and, the work of satisfactory quality?

a.) Yes ____ No ____; b.) Yes ____ No ____

Comments:

IV. RECOMMENDATIONS AND COMMENTS:

V. ATTACHMENTS

VI. THE RESULTS OF THIS INSPECTION WERE DISCUSSED WITH THE FOLLOWING PERSON(S) ON THE DATES INDICATED:

Name

Date

HA Representative(s):

COE Rep Signature: _____

Printed Name & Title:

CONTRACT ADMINISTRATION REVIEW REPORT
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)
_____ FIELD OFFICE

I. General

A. Contract Administration Review

1. Housing Authority (HA) Name
2. Current Review Date _____ Date of Last Review _____
3. Work Order #/Task Order Number
4. Review No.
5. Contract Description
6. Funds Type
Mod _____ Dev _____ Hope VI _____
7. Participants
Name _____ Title _____ Organization _____

II. PRE-AWARD PHASE

A. Procurement Policy

1. HA has a written procurement policy?
Yes _____ No _____ N/A _____
Comments:
2. Procurement policy meets the requirements of 24 CFR 85.36?
Yes _____ No _____ N/A _____
Comments:

B. A/E Selection Process

1. HA uses competitive proposals for A-E contracts?
Yes _____ No _____ N/A _____
Comments:

2. HA follows its procurement policy in A-E selection?

Yes ____ No ____ N/A ____

Comments

3. HA awards contracts to responsible offerors, considering price and other related factors stated in Request for Proposal (RFP)?

Yes ____ No ____ N/A ____

Comments:

C. Bid Document Preparation

1. Scope of Work (SOW) is adequately defined in A-E contract?

Yes ____ No ____ N/A ____

Comments:

2. A-E prepares complete bid documents which adequately describes the required work?

Yes ____ No ____ N/A ____

Comments:

3. The contract appears to allow appropriate sequencing and sufficient time for contractors to adequately perform the work?

Yes ____ No ____ N/A ____

Comments:

D. Construction Award Process

1. HA solicits and awards construction contracts in accordance with its procurement policy and HUD established threshold?

Yes ____ No ____ N/A ____

Comments:

2. HA prepares a cost estimate for construction contract procurement?

Yes ____ No ____ N/A ____

Comments:

3. HA adequately documents reasons for rejection of any bids?

Yes ____ No ____ N/A ____

Comments:

4. HA awards to lowest responsive and responsible bidder for firm fixed price contracts?

Yes ____ No ____ N/A ____

Comments:

III. CONSTRUCTION PHASE

A. Administrative

1. Appropriate bonds, insurance certificates, notices to proceed and permits are on file at HA?

Yes ____ No ____ N/A ____

Comments:

2. Written contracting authorities are on file for both HA and contractor?

Yes ____ No ____ N/A ____

Comments:

3. HA ensures contractor submits and maintains a progress schedule in accordance with contract documents?

Yes ____ No ____ N/A ____

Comments:

4. HA properly computes liquidated damages and assesses them to the contractor when appropriate?

Yes ____ No ____ N/A ____

Comments:

B. Quality Assurance

1. HA is adequately supervising and administering the contract work?

Yes ____ No ____ N/A ____

Comments:

2. HA conducts and documents preconstruction conferences?

Yes ____ No ____ N/A ____

Comments:

3. HA performs adequate site inspections of the work?

Yes ____ No ____ N/A ____

Comments:

4. HA prepares a written daily log of construction activities?

Yes ____ No ____ N/A ____

Comments:

5. A-E performs inspections as required by contract and provides timely inspection reports to the HA?

Yes ____ No ____ N/A ____

Comments:

6. HA requires sufficient testing of materials, equipment and supplies to ensure work quality consistent with the contract documents?

Yes ____ No ____ N/A ____

Comments:

7. HA takes appropriate actions to ensure quality, work progress and correction of defects and deficiencies in the contractor's work?

Yes ____ No ____ N/A ____

Comments:

8. HA conducts final inspection of the work and ensures that it is satisfactorily completed, including punchlist items, prior to accepting the work?

Yes ____ No ____ N/A ____

Comments:

9. HA ensures that submittals are adequate and timely?

Yes ____ No ____ N/A ____

Comments:

10. HA maintains contract files in an orderly fashion? Files include plans and specifications, change orders, payments, submittals, test results, correspondence, meeting minutes, etc.

Yes ____ No ____ N/A ____

Comments:

11. HA assures that as-built drawings are kept up to date?

Yes ____ No ____ N/A ____

Comments:

C. Payments

1. HA reviews, approves and makes progress payments in accordance with approved progress schedule?

Yes ____ No ____ N/A ____

Comments:

2. HA withholds retainage from contractor's progress payments in accordance with contract documents?

Yes ____ No ____ N/A ____

Comments:

3. HA makes final payments to contractors only after all work has been satisfactorily completed, including punchlist items, and all guarantees and releases have been obtained from contractor?

Yes ____ No ____ N/A ____

Comments:

D. Contract Modifications (Change Orders)

1. HA obtains prior HUD approval for contract modifications increasing the contract amount above its HUD established threshold?

Yes ____ No ____ N/A ____

Comments:

2. HA issues modifications within the scope of the contract?

Yes ____ No ____ N/A ____

Comments:

3. HA provides contractor a request for equitable adjustment with a clearly defined scope of work and requires the contractor to submit proposals broken down by labor, materials, equipment, overhead, profit and performance time?

Yes ____ No ____ N/A ____

Comments:

4. HA prepares an independent cost estimate for the changed work and performs cost and/or price analysis of contractor's proposal?

Yes ____ No ____ N/A ____

Comments:

5. HA negotiates and prepares contract modifications in accordance with procurement policy?

Yes _____ No _____ N/A _____

Comments:

6. HA maintains a contract modification log for each contract?

Yes _____ No _____ N/A _____

Comments:

7. HA resolves claims and disputes in a satisfactory and expeditious manner?

Yes _____ No _____ N/A _____

Comments:

E. Labor Standards

1. HA ensures that contractor submits certified payrolls in accordance with General Conditions?

Yes _____ No _____ N/A _____

Comments:

2. HA conducts periodic random wage interviews with contractor personnel, to ensure compliance with Davis-Bacon Act or HUD determined wage rates (as appropriate) and documents results?

Yes _____ No _____ N/A _____

Comments:

3. HA timely informs contractor of any discrepancies in payrolls and wages being paid and follows up on corrective action?

Yes _____ No _____ N/A _____

Comments:

IV. POST CONSTRUCTION PHASE

1. HA accepts completed work in accordance with contract documents?

Yes _____ No _____ N/A _____

Comments:

2. HA ensures that A-E provides as-built drawings in accordance with contract documents?

Yes _____ No _____ N/A _____

Comments:

3. HA ensures at turnover that A-E provides accepted submittals?

Yes _____ No _____ N/A _____

Comments:

4. HA ensures that contractor submits warranty, operations and maintenance documents in orderly package?

Yes _____ No _____ N/A _____

Comments:

5. HA performs warranty inspections at required intervals (HUD guidelines)?

Yes _____ No _____ N/A _____

Comments:

6. HA takes follow-up action against contractor for warranty work?

Yes _____ No _____ N/A _____

Comments:

PROGRAM REVIEW REPORT

U.S. Department of HUD
_____ Field Office

This Report consists of three components - Modernization Report, Physical Inspection Review Report, and Contract Administration Review Report. All components may or may not apply.

Where a Comprehensive Improvement Assistance (CIAP) or Comprehensive Grant Program (CGP) consists of multiple construction contracts, the HUD Field Office will identify the contracts to be included in the Contract Administration Review.

Modernization Report

A monitoring review of the _____ Housing Authority
_____ (Comprehensive Improvement Assistance Program or
Comprehensive Grant Program as appropriate) was conducted on _____, 19____
by _____ (Name of Person conducting the review) of the
_____ Area Office, _____ District, Corps of Engineers (COE)

The following personnel were present at the entrance briefing:

_____ (Housing Authority Personnel)

_____ (HUD/COE Personnel)

The conclusions of the review were discussed with _____ (list all AH
staff at exit briefing) on _____ (date).

The purpose of the review was to determine if adequate systems and controls are in place to:

-
- a. Assure compliance with the Annual Contributions Contract, program rules and regulations and approved plans and schedules; and
 - b. Determine if modernization is being conducted in an efficient and effective manner based, in part, on timeliness, procurement activities and requirements, financial management requirements, and overall program progress.
-

The following project(s) was/were reviewed:

<u>Modernization Project</u>	<u>Fiscal Year</u> <u>Funded</u>	<u>Grant Amount</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

_____ (*List number of Findings*) findings were made as a result of the monitoring review.

Findings and Observations

Finding No. 1

(Note: Findings to be identified on separate transmittal paper to HUD staff. HUD staff to review findings and, where appropriate, include any/all findings in the report to the PHA)

Background

Recommended Action

Observation No.1

Recommendations *(Where appropriate)*

Observation No. 2

Recommendations

MODERNIZATION MONITORING CHECKLIST

CATEGORY

YES NO N/A

I. UNEXPENDED FUNDS OVER THREE FFYS OLD (\$901.10(b)(2)(i))			
1a. HA has unexpended funds over three FFYS old, excluding leftover funds where HA has submitted actual cost certificate.			
1b. If yes, HA has HUD-approved original project implementation schedule(s) giving longer than three FFYS or there are valid reasons outside of HA's control for unexpended funds which justify a time extension.			
II. TIMELINESS OF FUND OBLIGATION (\$901.10(b)(2)(ii))			
1a. HA has obligated 100% of funds by obligation dates in preceding FFY in HUD-approved original project implementation schedule(s), excluding leftover funds where HA has submitted actual cost certificate.			
1b. If no, there are valid reasons outside of HA's control for unexpended funds which justify a time extension.			
2. <u>CGP ONLY</u> : Where HA self-executes a time extension, extension is based on delay outside of HA's control and is adequately documented.			
III. ADEQUACY OF BUDGET CONTROLS (\$901.10(b)(2)(v))			
1a. HA obligates and expends funds in accordance with the latest HUD-approved CIAP budget/CGP annual statement.			
1b. If no, HA revises budget/annual statement without prior HUD approval only for reasons outside of the HA's control or see \$968.225.			
2. HA has internal controls to track obligations and expenditures by work item, by development account, and by development.			
3. <u>CIAP ONLY</u> : Current threshold for budget revisions of \$ _____ should be changed to \$ _____. (\$968.225)			
4. <u>CIAP ONLY</u> : Required HA certificates for budget revisions are correct, in HA files, and			

have been submitted to HUD. (\$968.225)			
IV. PROGRAM ADMINISTRATION			
1. HA is conducting appropriate random testing for LBP. (\$968.110k))			
2. HA is complying with handicapped accessibility requirements. (\$968.110(h))			
3. HA is complying with any historic preservation or environmental requirements. (\$968.110(c))			
4. HA is reimbursing residents for actual, reasonable moving costs or complying with the Uniform Relocation Act. (\$968.108)			
5. HA is current with flood insurance premiums, where required (\$968.110(d)).			
6. HA notifies insurance broker/company, in writing of modernization activities.			
7. HA progress reports are timely and accurate (review and compare with Modernization Cost Ledger and requisition system reports). (\$968.230 or \$968.330)			
8. Administrative costs are properly documented with time sheets and reflect only direct charges.			
9. HA is obligating and expending funds within 20% of its annual grant limit on management improvements unless the HA is a high performer and high MOD performer. HUD. (\$968.210(j)(i) and \$968.112(n)(i)).			
10. <u>CGP ONLY</u> : HA is obligating and expending funds within 10% limit on administrative costs or higher limit as approved by HUD. (\$968.112(n)(ii))			
11. HA is obligating and expending funds on eligible activities. (\$968.112)			
12. HA is using force account labor only with prior HUD approval. ACC, (\$968.120)			
13. Costs of force account labor seem reasonable for the work performed.			

14. Units are being returned to occupancy in a timely manner.			
15. HA is requisitioning funds only after inspecting and accepting the contractor's work. (\$968.130)			
16. HA does not use requisitioned funds to temporarily finance operations or other programs or activities. \$968.130)			
17. <u>CIAP ONLY</u> : HA is complying with resident participation requirements during application development and processing. (\$968.210(b))			
18. <u>CGP ONLY</u> : HA is complying with local government and resident consultation requirements, regarding notification of preliminary funding estimate, advance meeting, and public hearing. \$968.315(b)(i)			
19. HA is involving residents during implementation (\$968.215 or \$968.315(b)(2))			
20. HA is meeting established performance targets for improving management deficiencies.			
21. HA is sustaining completed management improvements.			
22. HA is submitting actual cost certificates to HUD in a timely manner for completed modernization programs. (\$968.145)			
23. HA is including actual cost certificates in the next annual audit. (\$968.145)			
24. HA is protecting the modernization investment through adequate maintenance, annual inspections, and effective resident/management relationships.			

Interagency Agreement between the Department of Housing and Urban Development and the Army Corps of Engineers

Program: _____ Modernization _____ HOPE VI _____ TARC _____

NOTE: Only one Program per Work Order!

[illegible]

* Insert the items required to be done. Combination of the Tasks is encouraged.

Tasks: a = Physical Inspection; b = Contract Administration Review; c = Pre-bid Review; d = Final Inspection; e = Program Review

Signature of the Field Office Representative: _____ Date: _____

Signature of the Corps of Engineers Representative: _____ Date: _____

Total Actual Cost for this Work Order: _____

Signature of the Corps of Engineers Representative: _____ Date: _____

Accepted by the Field Office Representative: _____ Date: _____

The following instructions are provided for the purpose of completing the attached Work Order form to be given to the Army Corps of Engineers for site inspections/reviews of various public housing developments under the Interagency Agreement.

- Column 1.** Unique number identifying the task to be accomplished.
- Column 2.** Name of the Public Housing Agency.
- Column 3.** Project location (address) requiring inspections.
- Column 4.** If time sensitive, time frame HUD seeks to have the inspection/review accomplished.
- Column 5.** Frequency of inspections and the priority of those inspections.
- Column 6.** Contract number assigned by HUD Field Office.
- Column 7.** Name of contact person in the HUD Field Office.
- Column 8.** Types of reviews/inspections to be accomplished. Enter the appropriate letter(s).
- a. Physical inspection
 - b. Contract Administration Review
 - c. Pre-Bid Review
 - d. Final Inspection
 - e. Program Reviews
- Column 9.** Insert the estimated cost. The estimate will be provided by the Corps of Engineers, and should be agreed upon by the HUD Field Office.
- Column 10.** Any special instructions or comments should be entered; e.g., particular work items or building components that need special attention.

Signatures:

Signatures of both the HUD Field Office representative and the Corps of Engineers representative must be affixed before the work order can be funded. These signatures will assure that the following statement will be adhered to:

“All of the above work will be done in accordance with the Implementing Instructions attached to the memorandum of Agreement. The Corps of Engineers representative will discuss the inspection results and the corrective action required with the Housing Authority representative on-site and submit the report to the HUD Field Office within 15 calendar days of the inspection. The HUD representative will examine the report and, if found acceptable, will send a copy to the Housing Authority. If the report had some areas of concern, the HUD representative will contact the Corps of Engineers representative to discuss those areas of concern and advise on corrections.”

After completion of the work order, the Corps of Engineers representative will specify the final actual cost of the inspections/reviews, and sign the work order. After acceptance of the final cost, the HUD representative will sign the work order.