

Special Attention of:

Notice PIH 99-25 (HUD)

HUB Directors, Office of Public Housing;
Program Center Coordinators;
Administrators, Area Offices of Native American
Programs

Issued: June 25, 1999
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Cross References: NOFA FR-4453

**PROCESSING OF GRANT APPLICATIONS FOR FISCAL YEAR (FY)
1999 NOFA - Public and Indian Housing Economic Development and
Supportive Services (EDSS) Carryover Funding Competition**

1. PURPOSE

This Notice provides instructions for Office of Public Housing (OPH) / Area Office of Native America Programs (AONAP) responsibilities in processing Economic Development and Supportive Services (EDSS) Carryover grant applications.

A Notice of Funding Availability (NOFA) announcing approximately \$23.5 million in carryover grant funds was published in **The Federal Register** on **March 10, 1999**. The Department is setting aside \$1.4 million of this amount to fund applications from Tribes/TDHEs, with the remainder available to fund eligible applications from Public Housing Authorities (PHAs). Both the amount for Tribes/TDHEs and the amount for PHAs will be allocated as follows: 60% to Family EDSS category grants, and the remaining 40% to Elderly and Disabled Supportive Service category grants.

Funding for this program is limited to Housing Agencies and Tribes/TDHEs that have not received a previous EDSS grant. The program is to provide grants to these entities to enable them to establish and implement programs that increase resident self-sufficiency and support continued independent living for elderly and disabled residents. ***NOTE: All applicants must be PHAS or Tribes/TDHEs that have not received a prior EDSS grant. This information can be verified through OPH/ONAP records.**

PHAs and Tribes/TDHEs are required to provide evidence of a 25% match of the total amount of funds being requested under the EDSS Carryover program. **This match does not have to be a cash match. It can be in-kind and/or cash contributions.** The match may include: the value of in-kind services, contributions or administrative costs provided to the applicant; funds from Federal sources (but not EDSS funds); funds from any State, tribal or local government sources; and funds from private contributions. Salaries paid for with EDSS funds do not qualify as funds counted toward the 25% match.

2. APPLICATION PROCESSING IN LOCAL FIELD OFFICES (FO)

A. **Application Receipt, Log-In, and Acknowledgments.** Applications shall be received by the local OPH/ONAP by the date and time specified in the NOFA and application kit for the application to be evaluated. Refer to **Appendix A** of this Notice for the Processing Schedule. The steps to be followed in the receipt of all applications are:

- (1) Date/time stamp each grant application the same day it is received.
- (2) Enter all submissions in a master log that includes: HA Code, Applicant Name; Date Received, Time Received; Amount Requested; Eligible; Deficient; Date Deficiency Letter Sent; Grant Type (PHA/Tribe/THDE) or Reason for Reject or Sent to TARC or FO of Jurisdiction; and Logged in By. Log in late applications as they are received on the master log.

***NOTE: Refer to Section 5, Database Management regarding the instructions for transmission of Master Logs to the Grants Management Center.**

- (3) The local Field Office shall acknowledge receipt of all applications received in response to the NOFA. A sample acknowledgment letter is found in Tab 9-25 of the EDSS application kit. A copy of the acknowledgment shall be retained in the files. The response shall be by letter and include the following:
 - a. A brief statement acknowledging receipt
 - b. The date the application was received.
 - c. The time the application was received.
 - d. If the application was late or the applicant was ineligible, a statement that the application will not be considered further (application not returned to applicant). Eligibility of applicants and co-applicants are further determined in the screening of applications.
 - e. Signature of the Director, Office of Public Housing (OPH)/ Administrator, AONAP or his or her designee is required.
- (4) If the OPH/AONAP receives an application not in its jurisdiction by the application date, the OPH/AONAP shall ensure the following actions take place:
 - a. Log the date and time of receipt in the application;

- b. Transfer the application to the appropriate local OPH/AONAP **via overnight mail with a transmittal memo** to the Director, OPH/Administrator, AONAP within 24 hours of receipt of the application; and
- c. Notify the OPH/AONAP by telephone that the application is being forwarded.
- d. The OPH/AONAP receiving the application shall log in the application according to the prior OPH/AONAP receipt date and time.
- e. Send acknowledgment letter to each applicant.

B. Threshold Reviews. Appendix C of this Notice is provided to assist and manage the screening for Threshold Requirements. **All** applicants must address each threshold criteria requirement in order to be reviewed and evaluated. Refer to TAB 2 exhibits for each application submitted. Applicants will be rejected if they are not in compliance with the threshold requirements in Section IV (I) of the NOFA (compliance with Fair Housing an Civil Rights Laws).

NOTE: When in doubt determining whether an application meets threshold criteria, contact the GMC.

C. Additional Threshold Criteria for Funding Consideration.

- (1) Focus on Residents Affected by Welfare Reform. The Family EDSS Application must provide written evidence that at least 51% of residents to be included in the proposed program are affected by welfare reform legislation including Temporary Assistance for Needy Families (TANF) recipients, legal immigrants and disabled SSI recipients.
- (2) Accessible Community Facility. Applicant must provide evidence (e.g., executed use agreement if the facility will be provided by an entity other than the applicant's organization) that a majority of the applicant's proposed activities will be administered at community facilities within easy transportation access of the applicant's property. The facilities must be within walking distance or accessible by direct (i.e., no transfers required), convenient, inexpensive, and reliable transportation. Any community facilities must meet the structural accessibility requirements of Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. Review and verify the facility description and location and executed agreement between the HA/Tribe/TDHE and other entity providing the community facilities, where applicable.
- (3) Match Requirement/Leveraging Other Resources. Written

evidence must be provided that the applicant will supplement grant funds with a cash and/or in-kind contribution match of not less than at least 25% of the grant amount. The match may include: cash, the value of in-kind services, contributions or administrative costs provided to you; funds from Federal sources (but not EDSS funds); funds from any State, Tribal or local government sources; and funds from private contributions. Match amounts must be “firmly committed” and will support the proposed grant activities. “Firmly committed” means there must be a signed, written agreement to provide the resources and services. The written agreement may be contingent upon an applicant receiving a grant award. See Section V (A) (c) of the NOFA for guidelines for valuing in-kind contributions.

- (4) Compliance with Current Programs. The applicant must be in compliance with all the requirements of any HUD grant programs listed in the NOFA V(A)(4) designed to assist resident self-sufficiency in which it is currently participating.
- (5) PHMAP Score. HAs cannot have a PHMAP score less than a “C” for either Indicator # 6, financial management, or Indicator #7, Resident Initiatives and Community Building, on its most recent PHMAP. HAs designated as “troubled” must provide documentation that a Contract Administrator will be utilized in the administration of your program grant.

D. Application Screening and Deficiencies (Curable/NonCurable)

Appendix C of this Notice is also provided to assist and manage the screening of applications for completeness, internal consistency, and accuracy of calculations. Screening for completeness will involve determining both curable and non-curable deficiencies, for which a column is provided on Appendix C. Applications with non-curable deficiencies, whether threshold criteria or application submission requirements will be rejected for further processing.

NOTE: When in doubt determining whether an applicant is eligible or ineligible, or whether an item is curable/non-curable, contact the GMC.

- (1) The receiving OPH/AONAP begins the screening process with a review of each application in its entirety, checking for deficiencies with respect to **completeness, consistency, and accuracy.**
- (2) Screening is required to ensure that narratives, required for certifications, and other attachments are provided. A detailed review of the quality of the application will be conducted during the APC review.
- (3) Screening should be performed by a single reviewer as assigned by the Director, OPH/Administrator, AONAP. Reviewers should

place their signature on the signature line verifying their review.

- (4) The **Grant Program Process Checklist**, Appendix B of this Notice, is provided to assist and manage the screening stage of applications. It is recommended that the Checklist items be initialed and dated as each step is completed in the review process. Additionally, as the reviewers screen each application, they must complete the **Application Screening Checklist**, Appendix C of this Notice, which provides information on curable and non-curable deficiencies and threshold criteria . On the Checklist, check whether any deficiency noted has been completed ("Y" = Yes; "N" = No).
- (5) If **curable deficiencies** are found, the OPH/AONAP must send applicants a deficiency letter within 7 days, to be received by applicants no later than May 7, 1999. Applicants have 14 calendar days from the date of the letter to respond to deficiencies (May 21, 1999). Once the 14-day period is complete, applications containing deficiencies will be rescreened, taking into account responses provided to deficiency letters. An example of a curable deficiency is a missing signature from a required certification.

A deficiency may be cured so long as it is predicated upon the completeness, internal consistency or accuracy of computation contained in the grant application, and curing the deficiency will not result in substantially revising the application or changing the activities of the program. The OPH/AONAP shall not further consider the application containing incurable deficiencies. If the deficiency is curable, the OPH/AONAP shall send a deficiency letter (see **Sample Deficiency Letter**, Appendix E of this Notice) to the applicant. The letter must contain the following elements:

- Specifically list and explain the nature of each deficiency;
- Explain what has to be provided to cure the deficiency;
- State the deadline date (the **14th calendar day after the date of the letter**) for responding to the deficiency and that the response must be **received** back by that date; and
- State that an applicant's failure to adequately respond to the deficiency letter by the deadline date will result in its application no longer being considered.
- In addition, the letter will state that in responding to

the deficiency, the applicant may change only the item(s) noted as deficiencies and any portion of the application that is made inconsistent by the applicant's response to the deficiency.

- Each screener at the OPH/AONAP must also fax the signed deficiency letter to the applicant, stating on the cover sheet that the original of the deficiency letter has been mailed to the applicant. If an applicant fails to respond to the deficiency letter within the time deadline set, the OPH/AONAP shall not further consider its application.

(6) If a **non-curable deficiency** is found, the OPH/AONAP Grant Administrator will declare the application ineligible and prepare a notification of ineligibility. **Do not send the notice of ineligibility to the applicant until notified by the GMC of the end of the competition.** Upon notification by the GMC, the application and notice shall be forwarded to the GMC in accordance with Section 7 of this Notice. Examples where a deficiency clearly is **not curable** are:

- an application does not meet threshold criteria
- an applicant does not meet the deadline date requirement; or
- an applicant is not an eligible PHA/Tribe/TDHE; or
- an ineligible applicant has been substituted for an eligible applicant; or
- where exhibits for any of the rating factors are missing.

If an application contains information that the screener has written evidence to contradict, the screener may treat the inaccurate information as a **non-curable** deficiency and the application as incomplete, inconsistent or containing incorrect computations.

(7) If the screener is not certain whether a deficiency is curable, the screener must consult with the GMC. Screeners should annotate whom they spoke with and the outcome, and forward this documentation with the application.

A PHA/Tribe/TDHE application that omits any item under the Threshold Criteria Check List in Tab 2 of the application kit shall be considered incomplete and to have non-curable deficiencies, and therefore rejected from the competition.

- (8) Upon completion of the screening process, the screener is to sign and date the screening checklist to signify that the entire application has been reviewed, and make appropriate notation in the application file as to disposition.
- (9) If an application is determined to contain **no deficiencies**, the application should be held for forwarding to the GMC, as well as to the ONAP Area Administrator, as outlined in Section 7 of this Notice.

*** All HA applications, including those that are deemed ineligible, shall be forwarded to the Application Processing Center for which the Grants Management Center is making final arrangements. Field offices will be notified immediately via Lotus NOTES e:mail of the site location and address once plans are finalized. Applications from Tribes/TDHEs will be sent to the Office of Native American Programs in Denver.**

- (10) Rescreening
 - a. Once an applicant responds to a deficiency letter, the application must be rescreened for completeness, consistency, and accuracy and to ensure that an applicant has not substantially revised its application or changed fundamental features of the program to cure deficiencies. Examples of such changes would be:
 - changing the applicant's name;
 - replacing an ineligible applicant with one that is eligible; and
 - changing responses other than to cure incorrect computations or revisions required to correct inconsistencies with other criteria.
 - b. Screeners who believe that an applicant has substantially revised its application or changed a fundamental feature of a program not listed in the previous examples must consult with the Grants Management Center or Office of Native American Programs to determine whether the proposed cure is acceptable.

3. HUD Reform Act

The HUD Reform Act requires that HUD make available for public inspection the documentation supporting the approval or disapproval of each application. In addition, the documentation must indicate the basis on which any award was made or denied. This includes the screening and threshold reviews conducted at the field office level. FOGAs must ensure that the screening checklist in Appendix C is complete and well documented for each application submission exhibit. Items

classified as incomplete or deficient must include written comments to identify if item is missing in whole or in part, and support determinations of deficiency or ineligibility.

4. Review by Office of Fair Housing and Equal Opportunity

FHEO staff in the local HUD field office must provide a list at least annually to the HUB Director, Office of Public Housing, or Program Center Coordinator, of the names of PHAs that are subject to FHEO compliance reviews. The HUB Director, Office of Public Housing, or Program Center Coordinator, should send a list of all applications received for funding under this NOFA to the FHEO Director to confirm the accuracy of the list provided by FHEO. Upon receipt of the PHA applications for EDSS carryover funding, the Director, Office of Public Housing or Program Center Coordinator must forward copies of applications from those PHAs identified by FHEO, for FHEO's review.

5. DATABASE MANAGEMENT

Each FOGA will receive a Microsoft EXCEL spreadsheet/MASTERLOG attachment via LOTUS NOTES.

A. Within 24 hours following the Application Deadline Date, **April 26, 1999**, each FOGA is required to submit to the GMC, via LOTUS NOTES attachment, a Master Log of all applications received. See **Appendix E** for a sample of the Master Log. Complete only the shaded areas for this ***Initial Submission*** to GMC. Follow the same procedure for applications postmarked by, but received after the application deadline date.

B. **After the initial submissions is transmitted to the APC, COMPLETE THE ENTIRE MASTERLOG AND INCLUDE WITH THE SHIPMENT OF APPLICATIONS TO THE APPLICATION PROCESSING CENTER.**

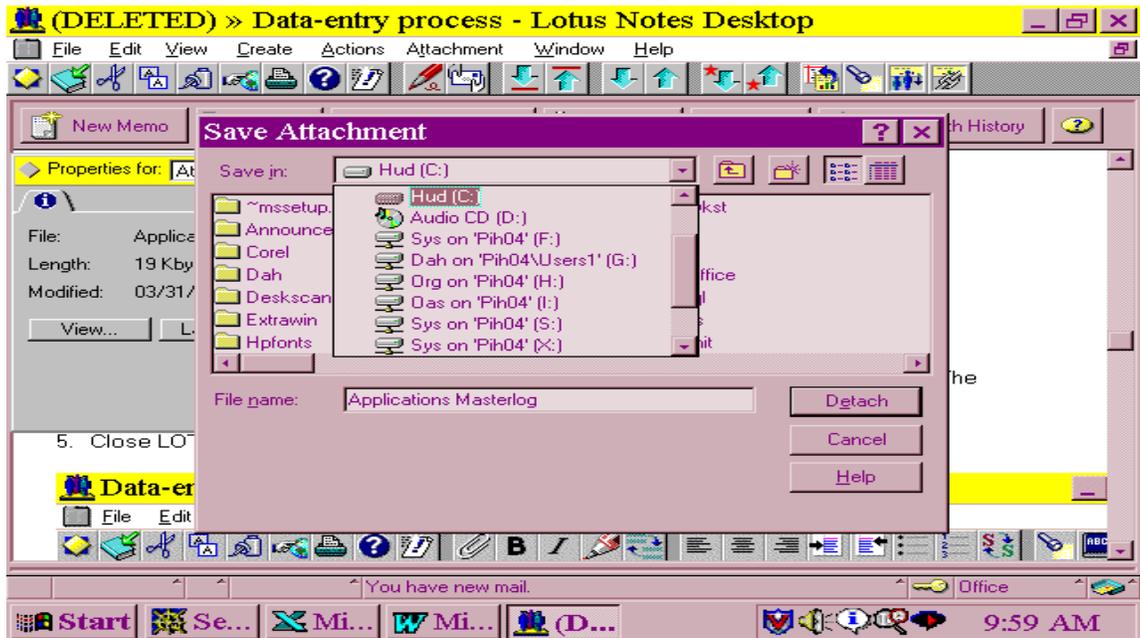
C. **TO RETRIEVE MASTERLOG ATTACHMENT**

- (1) Open LOTUS NOTES file sent by GMC Grant Administrator
- (2) Double click on EXCEL icon to open.



Applications Masterlog.xls

- (3) Click on "Detach" in Properties Window
- (4) In "Save Attachment" window, select C: and click on "Detach" at bottom of page. The Master Log is now saved to your C: drive as "Applications Master Log."
- (5) Close LOTUS NOTES



- (6) Open Microsoft EXCEL from desktop.
- (7) Once in EXCEL - Click on File (the "Applications Master Log" file may appear in file listing at bottom). If it does, double click on "Applications Master Log". If "Applications Master Log" does not appear, choose OPEN. Select C drive. Locate "Applications Master Log" and double click to open file.
- (8) Type in required data to Master Log spreadsheet.
- (9) **SAVE - SAVE - SAVE YOUR WORK!** When data-entry is complete, Click on diskette icon or FILE/SAVE. Click on large "X" in right top corner of page to close out of EXCEL.

D. SENDING MASTER LOG TO THE GMC

- (1) Open LOTUS NOTES, address to GMC Grant Administrator - Odessa Burroughs and MIS Specialist - Donna Hines. Include name of program in Subject line (i.e., EDSS Carryover Master Log).
- (2) Move to the body of the memo and Click on "Paper Clip" icon.
- (3) Select C: drive in "Create Attachment" window.
- (4) Locate the "Applications Master Log" file, highlight and choose "Create". The file attachment will appear within LotusNotes
- (5) Send/File
- (6) Repeat these steps to send updated Master Logs to the GMC.

6. SCORING OF FACTORS 1-5.

NOTE: Rating Factors 1-5 will be reviewed and scored at the respective Application Processing Center (APC)—ONAP, Denver for applications from tribes/TDHEs, and Washington, D.C. (JBS Application Processing Center) for applications from housing authorities (HAs).

The Grants Management Center will announce under separate cover the Washington, D.C. location selected as the official Processing Center for EDSS Carryover grant applications from HAs. The Denver ONAP Office will host the Application Processing Center for applications from Tribes/TDHEs. EDSS applications must receive a total of 75 points out of the maximum of 102 points to be eligible for funding based on the following Rating Factors:

- A. Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience
- B. Rating Factor 2: Need /Extent of the Problem
- C. Rating Factor 3: Soundness of Approach
- D. Rating Factor 4: Leveraging Resources
- E. Rating Factor 5: Comprehensiveness and Coordination

Bonus Points. Applicants are eligible to receive up to two (2) Empowerment Zone/Enterprise Community (EZ/EC) bonus points, as described in the General Section of the NOFA. TAB 8 in the application kit contains a certification which must be completed for the applicant to be considered for EZ/EC points.

7. **TRANSFER OF APPLICATIONS TO APPLICATION PROCESSING CENTER FOR HEADQUARTERS REVIEW**

NOTE: All HA applications, including those that are determined ineligible shall be forwarded to the GMC, and applications from tribes or TDHEs will be sent to ONAP, Denver.

- A. The OPHs/AONAPs will include the following items when shipping the applications to the GMC or ONAP, Denver:
 - (1) **Transmittal Letter**: This letter must identify the number of boxes, the total number of applications shipped, and a listing of all ineligible applications clearly marked ineligible with the reason for rejection.
 - (2) **Application Master Log**
 - (3) **Application Screening Checklist**
 - (4) **Threshold Review Checklist**
 - (5) **Curable Deficiency letters** and corrected deficiencies attached to each application. **If the corrected deficiency is not received by May 21, 1999, the application will still be forwarded to the GMC, and the deficient items will be faxed upon receipt by the field office. NOTE: these instructions apply to those applications postmarked on or before 12:00 midnight on the application due date and those applications sent by overnight delivery or expressed mail as stated under the conditions contained in Section I of the NOFA.**

- B. For GMC management purposes, number and label boxes by EDSS Applicant type (Family EDSS or Elderly/Disabled SS) and include all of the above requested documents. Within each box, those applications pending deficiency corrections or determined ineligible should be kept separate and clearly identified. Include with each box a copy of the Masterlog, highlighting only those applications contained in each individual box. Where possible, box deficient and ineligible application separate from eligible applications.

NOTE: All applications from tribes/TDHEs must be boxed and mailed overnight via Federal Express no later than May 14, 1999, to arrive at the Denver ONAP/APC by MONDAY, MAY 17, 1999. Applications from HAs must be boxed and shipped overnight via Federal Express to the Headquarters APC no later than WEDNESDAY, MAY 26, 1999, to arrive on THURSDAY, MAY 27, 1999.

**JBS Application Processing Center
8630 Fenton Street
Silver Spring, MD 20910**

**ONAP Grants Processing Center
Attn: Tracy Outlaw
1999 Broadway, Suite 3390
Denver, CO 80202**

8. FUNDING METHOD

- A. The GMC will perform the national ranking of all applications, including applications processed by the Denver ONAP according to whether the applicant seeks funds for Family Economic Development and Supportive Services or for Supportive Services to assist the Elderly and/or Persons with Disabilities. All applications will be placed in ranking order and funded until funds are exhausted.
- B. In the event that two or more eligible applications receive the same score, and both cannot be funded because of insufficient funds, the application with the highest score in Rating Factor 3 will be selected. If Rating Factor 3 is scored identically for both applications, the scores in Rating Factor 4 will be used for selection.

9. AWARDS RECOMMENDATIONS AND SELECTING OFFICIAL

The GMC will prepare the final ranking package for approval by the Assistant Secretary for Public and Indian Housing and requests for preparation of fund assignments by the PIH Headquarters Budget Division. The Public and Indian Housing (PIH) Office of Management and Policy Budget Division will process Form HUD-185s and send them to Field Offices/AONAPs via pouch mail;

10. CONGRESSIONAL NOTIFICATIONS

Congressional notifications will be prepared by staff at the GMC. A Memorandum will be submitted along with a listing of the grant awards to the Assistant Secretary for Congressional and Intergovernmental Relations, who will officially notify Congress.

The GMC will provide the Field Offices with the Congressional release dates prior to the issuance of selection and non-selection notification letters.

11. NOTIFICATIONS TO SELECTEES AND NON-SELECTEES

- A. Upon receipt of congressional release dates, the GMC staff will prepare and forward the list of award recipients and sample award and reject letters to OPHs/AONAPs via Lotus NOTES e:mail. As stated above, the award letters will not be sent until FOGAs receive congressional notification release dates from GMC staff.
- B. The OPHs/AONAPs will provide written notification to all applicants whether or not they have been selected.
- C. As of October 1, 1998, all Field accounting functions were relocated from Field Accounting Divisions (FADs) to the Fort Worth Accounting Center (FWAC). The OPHs/AONAPs will provide a signature copy of each award letter to the FWAC to reserve grant funds. The FWAC will validate that sufficient funds are available and record the reservation of funds into the Program Accounting System (PAS) after receiving a copy of the grant approval letter and the Form HUD-185.

12. FUND ASSIGNMENTS, RESERVATIONS, AND OBLIGATION

The funding procedures to be followed shall be in accordance with Chapter 4 of the Resident Initiatives Grants Management Handbook 7490.01 with the following modifications:

Each application is assigned a grant number that is entered in the PAS data module. The grant numbers are used to identify the applications selected for funding, the type of funding awarded, and are entered later on the grant award (form HUD-1044) and grant agreement documents. The grant numbers for EDSS contain 14 characters as example below:

State/Field Office/**Code**/HA/Sequence Number/Fiscal Year Indicator
GA 06 **EDC** 104 01 96

EDC - denotes funding to applicants proposing to conduct economic development and supportive services activities.

State/Field Office/**Code**/HA/Sequence Number/Fiscal Year Indicator

EDSS - denotes funding to applicants proposing to conduct supportive services to the elderly and/or persons with disabilities.

The Payment Voucher -- Form HUD-50080-**EDSS** -- prefix voucher number for Economic Development and Supportive Services is: **073**. Form HUD-50008 is available on the Internet Web and also is contained in PIH Notice 99-3.

13. GRANT AGREEMENT PREPARATION

- A. GMC will forward sample grant agreements and any special instructions related to the grant execution to OPH/AONAP via cc:Mail. The OPH/AONAP Offices will prepare Form HUD-1044, with attached grant agreement and related forms in accordance with Chapter 4 of the Grants Management Handbook 4790.01 and other instructions provided by Headquarters. The OPH/AONAP prepares the grant agreement, which is signed by the Director, OPH/Administrator, AONAP [or Public Housing Management Division Director for co-located offices]. The grant agreement must identify any special conditions for the grantees based on the OPH/AONAP review of the application. The special conditions must specify the applicant's responsibilities (e.g., submit a revised plan, budget and/or schedule, or provide clarification to resolve eligibility or reasonableness of costs). **Note: For Elderly/Disabled, there can be no duplication of funding.**
- B. The OPH/AONAP must prepare for each grantee a grant agreement package that includes three copies of a completed Form HUD-1044 - "Assistance Award/Amendment", the program grant agreement, and the forms listed in A above. OPH/AONAP must complete (but not sign) the grant agreement and Form HUD-1044 for each grantee.
- C. The OPH/AONAP must transmit the grant agreement package to the grantee with a cover letter. The grantee must complete blocks 10 and 19 of Form HUD-1044. In addition, the grantee must sign all three copies of Form HUD-1044 and forward them to the OPH/AONAP within two weeks of the date of the HUD transmittal letter along with the following forms and documentation:
 - (1) A Direct Deposit Sign-Up Form SF-1199A and canceled check. Note that the Line of Credit Control System (LOCCS) program area code name for the Economic Development and Supportive Services program is "EDSS" and must be typed into Section 1, Block F of the form. This form is required for all grantees that are not currently receiving grant funding through the LOCCS/VRS (Voice Response System). Grantees who already have access to LOCCS will also need to complete a form and request that EDSS be added to their access.

- (2) A revised program plan or other materials required by any special conditions of the grant award;
 - (3) A signed original of the LOCCS Voice Response Access Authorization Form HUD-27054 and one signed/notarized copy. Note that the LOCCS program code name for Economic Development and Supportive Services - EDSS - must be typed into Block 5a. of the form; and
 - (4) A copy of the Internal Revenue Service (IRS) source document establishing the grantee's Taxpayer Identification Number (TIN) (only for grantees who are not currently LOCCS users).
- D. The OPH/AONAP shall maintain a supply of the forms/documents to be distributed as a part of the grant agreement package to each grantee, as needed. The Field Administrative Officer should be aware of this requirement. (The Field Administrative Officer must also maintain a supply of Forms HUD-27054-A, which are used by HUD employees to obtain access to LOCCS.) The Form HUD-27054-A is available on the LAN HUD Forms.

The grant agreement package includes the program grant agreement and the following forms:

- (1) Form HUD-**1044**, Assistance Award/Amendment;
- (2) LOCCS Voice Response System (VRS) Access Authorization - Form HUD-**27054** and instructions (for use by grantees);
- (3) LOCCS Voice Response System (VRS) Access Authorization - Form HUD **20754-A** (used by HUD employees to obtain access to LOCCS);
- (4) Direct Deposit Sign-Up Form -- Form SF-**1199A** and instructions;
- (5) Payment Voucher -- Form HUD **50080-EDSS 073**;
- (6) Financial Status Report -- Form SF-**269A** and instructions;
- (7) LOCCS-VRS Change of Address Request -- Form **HUD-27056** and instructions; and
- (8) **LOCCS User Guide**: Part I dated June 1995.

NOTE: The OPH/AONAP must provide a copy of Part I of the LOCCS User Guide dated June 1995 to grantees. The Field Office/Area ONAP must advise grantees that a LOCCS VRS videotape which explains the system and the initialization procedures is available from the Field Office/Area ONAP for temporary loan.

14. GRANT AGREEMENT EXECUTION

- A. The OPH/AONAP must send a copy of the approved budget with the grant agreement to the applicant. The OPH/AONAP must identify all changes to the grant application as condition(s) of approval and must provide these

changes with the grant agreement. All correspondence concerning the grant award must include the grant number shown on the approval letter.

B. The OPH/AONAP must review, upon receipt from the grantee, the signed grant agreement copies and forms and check for the following:

- (1) Ensure the tax identification number (TIN) on the Form HUD-1044 matches the TIN on Form HUD-27054. Any discrepancy must be resolved.
- (2) Check that the authorized user and the approving official on the LOCCS-VRS Access Authorization Form HUD-27054 are different, and that the form is complete and notarized;
- (3) Check that any other forms are properly completed as part of the Grant Agreement;
- (4) Check that the Form SF-1199A was completed (if required) and that the grantee information is in accordance with the LOCCS User Guide instructions, (not the instructions on the reverse of the printed Form SF-1199A), that a canceled check was provided, and that the TIN agrees with the TIN on Form HUD-1044. The grantee must have one bank depository account for all HUD PIH funds.
- (5) The OPH/AONAP retains a copy of the completed Form HUD-27054 and sends the original along with a transmittal (indicating the form has been reviewed for accuracy and content) to:

Dept. of Housing and Urban Development
Office of Information Technology, AMISAO
451 Seventh Street, S.W., Room 3184
Washington, D.C. 20410-3600

Note: If prompt and reliable delivery is desired, use overnight mail or return receipt requested.

- (6) The Field Office forwards a transmittal letter enclosing Form SF-1199A, noting on the face of the envelope, "SF-1199A", to the following address:

Dept. of Housing and Urban Development
Office of the Chief Financial Officer
Cash and Credit Management; ATTN: ACH
P. O. Box 44816
Washington, D.C. 20026-4816

- (7) The Director, OPH/Administrator, AONAP signs the HUD-1044 in Block 20 and enters the date in Block 5, and on Page 15 of the grant agreement. After execution of the grant agreement, the OPH/AONAP must:

- a. Transmit one signed copy of the grant agreement and a

copy of the IRS document (with the TIN for new grantees) and retain one copy on the grant file. The OPH/AONAP must complete these actions promptly upon receipt of acceptable materials from the grantee.

- b. Send one copy of the grant agreement to the grantee when the grant payment system is operational. Include copies of Form HUD-50080-EDSS Payment Voucher with this transmittal. The grant system is operational when the following are completed:
 - (i) Fund obligations are recorded in PAS by the FWAC;
 - (ii) SF-1199 data are entered into LOCCS;
 - (iii) Field staff enter grant budget line items into LOCCS and confirm that the Grantee has received its VRS number.
 - (iv) Field staff verify the correct banking information has been entered into LOCCS using query screen Q05 and that the TIN agrees with the grant agreement Form HUD-1044; and
 - (v) Field staff assure that grantees have LOCCS-VRS access by query of LOCCS, confirming grantees have been provided a LOCCS-VRS user identification number. (This capability is now available and it is shown on screen Q60.)

15. SET-UP AND PROCEDURES FOR GRANT DRAWDOWNS

- A. Grantees must complete and return all forms listed in Section 12D of this notice with their grant agreements in order to access grant funds from HUD's Line of Credit Control System (LOCCS). Prior to the initial draw down, all grantees shall have secured on-line access to the Internet as a means to communicate with HUD on grant matters. Additionally, grantees shall have provided 75% of the required Multifamily Tenant Characteristics System (MTCS) data to HUD.

***Note: For Tribes/TDHEs: as indicated in the PIH Notice 98-6, "Clarification of Notice PIH 97-60 (HA), Responsibility for Completion of the Form HUD-50058, Family Report," Tribes/TDHEs are no longer required to report to the MTCS, as a result of the implementation of the Native American Housing Assistant and Self-Determination Act of 1996 (NAHASDA).**

- B. Risk Management. Grantees and subgrantees are required to implement, administer, and monitor programs so as to minimize the risk of fraud, waste, abuse, and liability for losses from adversarial legal action and in accordance with applicable OMB Circulars and guidelines for grant administration.

16. BUDGET LINE ITEMS.

The Field Office must enter the following EDSS Budget Line Items into LOCCS:

4210	Supportive Services
4220	Economic Development Activities
4230	Administrative Costs
4240	Salaries/Stipends
4250	Other Program Costs

17. CONTACTS

LOCCS - The Headquarters point of contact for OPH/AONAP staff with questions concerning the EDSS program is Public and Indian Housing, Information Services Division at (202) 708-0614, extension 4149.

GMC Processing Center Contact - For information, contact **Odessa Burroughs, Grants Management Center (202) 358-0312, ext.130**, or **Tracy Outlaw, Office of Native American Programs (303) 675-1600**.

Grantee Point of Contact - The primary point of contact for grantees is the local HUD Field Office, Attention: Director, Office of Public Housing or Administrator, Office of Native American Programs.

18. APPLICATION DEBRIEFINGS

The primary point of contact for grantees is the GMC. GMC will provide the OPH/AONAP copies of score sheets and related documents to issue with notification letters. The OPH/AONAP will be required to provide feedback, if requested, to those PHAs/Tribes/TDHEs whose EDSS applications were not approved for funding. The OPH/AONAP will have on file a copy of all applications and the reviewer's comments.

_____/s/ Harold Lucas_____
Assistant Secretary
for Public and Indian Housing

Attachments

APPENDICES A-E

**ECONOMIC DEVELOPMENT AND SUPPORTIVE SERVICES PROGRAM
PROCESSING SCHEDULE - 1999**

	<u>STEPS</u>	<u>DATES (HAs)</u>	<u>ONAP</u>
1.	Designate Field Office/AONAP Grant Administrator (FOGA)	April 22	
2.	Processing Notice provided to FOGA	April 22	
3.	Application Deadline	April 26	4/ 26
4.	E-Mail Master Log to GMC	April 28	
5.	Acknowledgment letters sent to applicants	April 29	
6.	Updated Master Log E-Mailed to GMC	May 4	
7.	Screening for technical deficiencies completed and letters sent to PHAs/Tribes/TDHEs	May 3	4/28
8.	Close of Technical Deficiency Period	May 21	5/14
9.	FO ships all applications overnight to APC	May 25-26	5/14
10.	APC receives all applications	May 27	5/17
11.	APC organizes applications for review process	May 28-June 4	5/17-21
12.	Reviewers trained	June 7	
13.	Processing Panel review begins	June 7	5/24
14.	Review of applications completed at APC	June 18	5/28
15.	Data entry completed and validated	June 25	ONAP
16.	GMC ranks <u>all</u> applications	June 25	GMC
17.	Recommendations/Congressionals to Ass't Sec'y	July 2	GMC
18.	Asst. Sec'y approves selections/to Budget	July 9	HQ
19.	Budget prepares HUD-185/Fund Assignment	July 16	HQ
20.	Awards are announced/OCIR provides release dates	July 23	HQ
21.	GMC provides notification letters to FOs	July 30	GMC
22.	FO/AONAP transmits award and reject letters to applicants and copies to FWAC	August 10	ONAP
23.	FAD completes reservation of funds	August 24	
24.	Grant agreements sent to grantees	FO Determines	ONAP
25.	HAs return Grant Agreements to HUD	FO Determines	ONAP
26.	Grant Agreements signed by OPH/AONAP	FO Determines	ONAP
27.	Budget line items entered into LOCCS	FO Determines	ONAP
28.	Funds available for grantees to draw down	September 30	9/30

**FY 1998 ECONOMIC DEVELOPMENT AND SUPPORTIVE SERVICES
GRANT PROGRAM PROCESS CHECKLIST**

This checklist will assist you as you manage the screening stage of Economic Development and Supportive Services Grant Program applications. It is recommended that the checklist items be initialed and dated as each step is completed in this review process. If there are any questions, please contact the Grants Management Center (202) 358-0312 or the Office of Native American Programs (ONAP) at (303) 675-1600, for clarification. **DO NOT SEND TO THE GMC.**

Initials	Date	
_____	_____	The OPH/AONAP receives an original and two copies of the application by 12:00 Midnight (local time), April 26, 1999.
_____	_____	The OPH/AONAP logs in applications received on or before deadline.
_____	_____	The OPH/AONAP E-Mails (within 24 hours after the application deadline) April 27, 1999 , Masterlog sheet(s) and fact sheets to Grants Management Center to Odessa Burroughs and provide a cc: to Donna Hines.
_____	_____	The OPH/AONAP sends a letter to each applicant acknowledging receipt of the application. 63 FR 23912 III (A)(4).
_____	_____	The OPH/AONAP screens applications for curable deficiencies and informs applicants of corrections.
_____	_____	The OPH/ONAP screens applications for duplication of funds, and ensures that applicant was not previously funded under EDSS, or for an EDSS grant ---Elderly Service Coordinator .
_____	_____	The screening and rescreening of all applications is complete. All curable deficiencies have been satisfied.
_____	_____	The OPH/AONAP sends the original and one (1) copy of each application and other required documents, by the specified date, to the appropriate APC:

JBS
Application Processing Center
8630 Fenton Street
Silver Spring, MD 20910

ONAP Grant Processing Center
1999 Broadway, Suite 3390
Denver, CO 80202

APPLICATION SCREENING AND THRESHOLD CHECKLIST

Applications are screened to determine they contain all required exhibits including certification forms, and that required signatures are present where applicable. A deficiency may be cured so long as it is predicated upon the completeness, internal consistency, or accuracy of computations contained in the grant application, and curing deficiency will not result in substantially revising the application or changing the activities of the program. The applicant must provide written certification, in the format provided in the Application kit, that it is in compliance with prescribed certifications and assurances. An applicant’s failure to submit a required certification and/or failure to obtain the proper signature on a certification is a **curable technical deficiency**.

Use the checklist to rescreen deficient applications. Indicate whether the deficient item was submitted and initial and date.

All applications must address and meet all threshold criteria in order to be reviewed and evaluated . **Failure to meet threshold requirements will result in an application being determined ineligible for further processing.** Where this occurs, field staff are to provide written comments on the checklist or separate page to document the determination of ineligibility. This documentation is important to ensure the integrity and consistency of the grant process .

APPLICANT NAME: _____
PHA/TRIBE/TDHE CODE: _____
FIELD OFFICE NAME: _____
SCREENER NAME: _____ **DATE:** _____

TAB	SUBMITTED		DEFICIENT?		CURABLE Yes or No	APPLICATION EXHIBIT
	YES	NO	YES	NO		
1	___	___	___	___	Y	Table of Contents/Checklist
1	___	___	___	___	Y	Application for Federal Assistance (SF-424) including Funding Matrix and Budget (SF 424A)
						Note: The Catalog of Federal Domestic Assistance Number on Form 424, block number 10; and Form 424A line should read: <u>14.863</u> .
1	___	___	___	___	Y	Program Summary

***ITEMS 1-6 UNDER TAB 2 ARE THRESHOLD CRITERIA. APPLICANTS MUST MEET ALL THRESHOLDS TO QUALIFY FOR PROCESSING**

	___	___	___	___	N	Application was received by the application deadline?
					N	THRESHOLD 1-6 (ALL NON-CURABLE) 1. Focus on Residents Affected by Welfare Reform.
2	___	___	___	___	N	Resident Characteristics Chart in TAB 2-7 was submitted, completed, and supports that at least 51% of residents to be included in the proposed program are affected by the welfare reform legislation including Temporary Assistance for Needy families (TANF) recipients, legal immigrants and disabled SSI recipients. This requirement is not applicable to applications dealing with the elderly or persons with disabilities.
						2. Accessible Community Facility.
2	___	___	___	___	N	Application includes a description of the location where training and other activities will be held, whether the facility is currently in operation and if not, what steps will be taken to adequately operate the facility; where facility is located in relation to the development(s) to be served, the days and hours of operation, how transportation needs to the facility will be addressed, and how the facility will be accessible to persons with disabilities.
2	___	___	___	___	N	Where an entity other than the applicant will provide the facility, application includes an executed agreement between the HA/Tribe/TDHE and other entity providing community facilities.
						3. Match Requirement/Leveraging Resources
2	___	___	___	___	N	a) The match may include: cash, the value of in-kind services, contributions or administrative costs provided to you; funds from Federal

						<p>sources (but not EDSS funded); funds from any State, Tribal or local government sources; and funds from private contributions. Match amounts must be firmly committed and will support the proposed grant activities. Firmly committed means there must be a signed, written agreement to provide the resources and services. The written agreement may be contingent upon an applicant receiving a grant award. See Section V (A) (c) of the NOFA for guidelines for valuing in-kind contributions.</p>
2	_____	_____	_____	_____	N	<p>b) Total of Provider/Partner Contributions in Tab 6-5, Chart H, “EDSS Program Resources” is equal to or greater than 25% of the requested grant amount. Divide “Total of Provider/Partner Contributions” -by- “requested EDSS grant fund”. Result must be .25 or greater.</p> <p>4. Compliance with Current Programs</p>
2	_____	_____	_____	_____	N	<p>a) Application includes certification found in TAB 2-13 of application kit, and certification is: signed by applicant and signed by field office certifying applicant is not in default for any HUD contractual obligation, does not have unresolved HUD Inspector General findings, and does not have any unresolved FHEO monitoring findings or HUD management review findings.</p>
2	_____	_____	_____	_____	N	<p>b) If the field office cannot or will not provide signature certifying to the applicant’s compliance with current programs, state the reason (s) and source for determining applicant is not compliant below: Reason:</p> <p>5. PHMAP Score</p>
2	_____	_____	_____	_____	N	<p>a) Certification found in TAB 2-15 was submitted, scores are above “C”, and field office signed off. If field office did</p>

2	_____	_____	_____	_____	N	not sign off, provide explanation: Explanation: “Troubled “ applicants provided documentation that a Contract Administrator (or equivalent organization) will administer the grant.
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6. Compliance with Fair Housing and Civil Rights Laws. Provide a list of applications to local FHEO Office and request following:

Is Applicant currently :

(NOTE: The next 3 items are discussed in General Section of SuperNOFA for all programs).

2	_____	_____	_____	_____	N	Charged with a systemic violation by _____ of the Fair Housing Act Lawsuit?
2	_____	_____	_____	_____	N	A Defendant in a Fair Housing Act lawsuit filed by the Department of Justice alleging an ongoing pattern or practice of discrimination?
2	_____	_____	_____	_____	N	Rec'd a letter of non-compliance findings under Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, or Section 109 of the Housing and Community Development Act 1974?

2	_____	_____	_____	_____	N	Application contains signed certification of _____ Compliance with Civil Rights Requirements?
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3	_____	_____	_____	_____	N	RATING FACTOR 1: CAPACITY Application includes a narrative submission for Rating Factor 1. NOTE: Determine only if applicant has submitted a narrative description for this and every other Factor. Do not evaluate the exhibit or reject the application if the narrative is not comprehensive.
---	-------	-------	-------	-------	---	--

4	_____	_____	_____	_____	N	RATING FACTOR 2 - NEED/EXTENT Application includes a narrative for Factor 2
---	-------	-------	-------	-------	---	---

5	_____	_____	_____	_____	N	RATING FACTOR 3 - SOUNDNESS/APPROACH Application includes a narrative for Factor 3
---	-------	-------	-------	-------	---	--

**RATING FACTOR 4:
LEVERAGING RESOURCES**

6 _____ _____ _____ _____ N Application includes a narrative for Factor 4

**FACTOR 5:
Comprehensive/Coordination**

7 _____ _____ _____ _____ N Application includes a narrative for Factor 5

CERTIFICATIONS OF CONSISTENCY AND COMPLIANCE

2	_____	_____	_____	_____	Y	Certification of Compliance with HUD Statutes and Regulations
7	_____	_____	_____	_____	Y	Certification of Consistency w/Consolidated Plan
7	_____	_____	_____	_____		Coordination w/ Other Activities
9	_____	_____	_____	_____	Y	Assurances - Non-Construction Programs
9	_____	_____	_____	_____	Y	Certification for a Drug-Free Workplace (HUD-50070)
9	_____	_____	_____	_____	Y	Applicant/Recipient Disclosure Update (HUD-2880)
9	_____	_____	_____	_____	Y	Certification and Disclosure of Lobbying Activities (SF-LLL)
9	_____	_____	_____	_____	Y	Certification of Lobbying Activities Continuation Sheet (SF-LLL-A)
9	_____	_____	_____	_____	Y	Certification of Payments to Influence Federal Transaction (Form HUD-50071)
9	_____	_____	_____	_____	Y	Certification Regarding Disbarment and Suspension (Form HUD-2992)

Applicant Eligible : _____
Ineligible : _____ **If ineligible, document below**
Screener Signature _____ **Date** _____

DETERMINATION OF INELIGIBILITY

This application was determined ineligible for the following reasons:

SAMPLE DEFICIENCY LETTER

Applicant
Address

Dear Applicant:

Thank you for your recent application submission for the FY 1999 Economic Development & Supportive Services Program Carryover Funding NOFA. The (**name of local field office**) has conducted the initial screening of your application. Your application was found technically deficient in the following areas:

- 1.
- 2.
- 3.

Please provide the additional information identified by (date), 14 days from the date of the letter. You may change only the item(s) noted as deficiencies and any other portion of the application that is made inconsistent by your response to the deficiency. Please submit your corrections to:

Name of Contact person
Local Field Office/AONAP
Address

The Field Office will review the response(s) submitted by your housing authority to ensure that your response(s) corrects the deficiency(s) previously identified. If your response(s) do not adequately address the deficiencies identified above by the deadline date, your application will not be considered for funding. You will be notified in writing that your application is ineligible.

Thank you for your interest in the Department's programs. If you have any questions, please contact (insert name and telephone number).

Sincerely,

Signature Name and Title

MASTERLOG - APPLICATIONS RECEIVED

FIELD

OFFICE: _____ **FIELD OFFICE CODE:** _____

	HA CODE	Applicant Name	Amount Requested	Eligible Yes/No	Deficient Yes/No	Date Def. Ltr sent.	Grant Type (PHA/TRIBE/THDE) or Reason for Reject or Sent to TARC or FO of jurisdiction.	Logged In By
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								