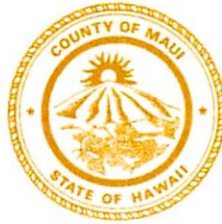


MICHAEL P. VICTORINO
Mayor

LORI TSUHAKE
Director

LINDA R. MUNSELL
Deputy Director



DEPARTMENT OF HOUSING
& HUMAN CONCERNS
COUNTY OF MAUI
2200 MAIN STREET, SUITE 546
WAILUKU, MAUI, HAWAII 96793
PHONE: (808) 270-7805

January 7, 2021

RECEIVED
2021 JAN -8 AM 9:00
OFFICE OF THE
COUNTY CLERK

Ms. Michele M. Yoshimura *My*
Budget Director, County of Maui
200 South High Street
Wailuku, Maui, Hawaii 96793

Honorable Michael P. Victorino
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Michael P. Victorino 1/7/21
Mayor Date

For Transmittal to:

Honorable Alice L. Lee, Chair
and Members of the Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Lee and Members:

SUBJECT: GRANT REVENUE – DEPARTMENT OF HOUSING AND HUMAN CONCERNS – HOUSING PROGRAM – FAMILY SELF SUFFICIENCY (FSS) COORDINATOR GRANT

In accordance with Ordinance No. 5099, Bill 64 (2020) Draft 1 Fiscal Year 2021 Budget, we are hereby transmitting to you a copy of the notice of grant award from the U.S. Department of Housing and Urban Development (HUD) for the program listed above in the amount of \$43,135.

Thank you for your attention to this matter. Should you have any questions, please feel free to contact me at Ext. 7805.

Sincerely,

Lori Tsuhako

LORI TSUHAKE, LSW, ACSW
Director of Housing and Human Concerns

Attachment

TO SUPPORT AND EMPOWER OUR COMMUNITY
POTENTIAL FOR PERSONAL WELL-BEING

COUNTY COMMUNICATION NO. 21-4

1. DATE ISSUED MM/DD/YYYY 01/04/2021		1a. SUPERSEDES AWARD NOTICE dated except that any additions or restrictions previously imposed remain in effect unless specifically rescinded	
2. CFDA NO. 14.896 - Family Self-Sufficiency Program			
3. ASSISTANCE TYPE Project Grant			
4. GRANT NO. FSS21HI3605-01-00 Formerly		5. TYPE OF AWARD Other	
4a. FAIN FSS21HI3605		5a. ACTION TYPE New	
6. PROJECT PERIOD MM/DD/YYYY From 01/01/2021		Through MM/DD/YYYY 12/31/2021	
7. BUDGET PERIOD MM/DD/YYYY From 01/01/2021		Through MM/DD/YYYY 12/31/2021	

THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

451 7th Street S.W.,
Washington, DC, DC 20410

NOTICE OF AWARD

8. TITLE OF PROJECT (OR PROGRAM)
COUNTY OF MAUI HCV FSS PROGRAM

9a. GRANTEE NAME AND ADDRESS Maui, County Of 200 S High St Wailuku, HI 96793-2155	9b. GRANTEE PROJECT DIRECTOR Ms. Kim Nemoto 200 S. HIGH STREET HOUSING WAILUKU, HI 96793-2155 Phone: 808-270-7179
10a. GRANTEE AUTHORIZING OFFICIAL Ms. Kim Nemoto 200 S. High Street Housing Wailuku, HI 96793-2523 Phone: 808-270-7179	10b. FEDERAL PROJECT OFFICER Ms. Karla C Davis 451 7th Street S W Washington, DC 20410-0001 Phone: 202-402-0000

ALL AMOUNTS ARE SHOWN IN USD

11. AWARD COMPUTATION FOR GRANT				14. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY. HUD ON THE ABOVE TITLED PROJECT AND IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING: a. The grant program legislation cited in remarks or attachment below b. The grant program regulations cited in remarks or attachment below c. This award notice including terms and conditions, if any, noted below under REMARKS. In the event there are conflicting or otherwise inconsistent policies applicable to the grant, the above order of precedence shall prevail. Acceptance of this award by the grantee acknowledges acceptance of these terms and conditions.			
a. Amount of HUD Financial Assistance		43,135.00					
b. Less Unobligated Balance From Prior Budget Periods		0.00					
c. Less Cumulative Prior Award(s) This Budget Period		0.00					
d. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION		43,135.00					
12. Total Federal Funds Awarded to Date for Project Period		43,135.00					
13. RECOMMENDED FUTURE SUPPORT (Subject to the availability of funds and satisfactory progress of the project):							
YEAR	TOTAL DIRECT COSTS	YEAR	TOTAL DIRECT COSTS				
a.		d.					
b.		e.					
c.		f.					

REMARKS (Other Terms and Conditions Attached - ☒ Yes ☐ No)

GRANTS MANAGEMENT OFFICER: Mr. Robert Mulderig 451 7th Street S W Washington, DC 20410-0001 Phone: 2024024708		ISSUE DATE: 01/04/2021		GRANTEE ACCEPTANCE: Ms. Kim Nemoto		ACCEPTANCE DATE: 01/04/2021	
15. OBJ CLASS 4120	16a. VENDOR CODE 99600618	16b. EIN 998000618	17. DUNS 077680155	18. CONG. DIST. 02			
FY-ACCOUNT NO.	DOCUMENT NO.	ADMINISTRATIVE CODE	AMT ACTION FIN ASST	APPROPRIATION			
19. a. 1-20SFSC01_FY21	b. FSS21HI3605	c. FSS	d. \$43,135.00	e. 20/23 0350			
20. a.	b.	c.	d.	e.			
21. a.	b.	c.	d.	e.			

AWARD ATTACHMENTS

Maui, County Of

FSS21HI3605-01-00

1. 2020 FSS Grant Agreement Terms and Conditions Final



FY20 FSS Agreement

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1 **FISCAL YEAR 2020**

2
3 **FAMILY SELF-SUFFICIENCY PROGRAM GRANT AGREEMENT**

4 **(CFDA Number: 14.896)**

5 **(Attachment to *NOTICE OF AWARD*)**

6
7 **FY2020 Family Self-Sufficiency**
8 **GRANT AGREEMENT**
9

10 This grant agreement ("Grant Agreement") is made by and between the United States
11 Department of Housing and Urban Development ("HUD") and the Grantee. The Grantee
12 received a FY2020 Family Self-Sufficiency Grant from fiscal year 2020, for the operation of a
13 Family Self-Sufficiency Program ("FSS Program") that is the subject of this Grant Agreement
14 and that is identified on the award obligation document (Notice of Award).

15 HUD agrees, subject to the terms of this Grant Agreement, to provide grant funds to the
16 Grantee, in the total amount listed on the Notice of Award, for the activities described in the
17 FY2020 Family Self-Sufficiency Notice of Funds Availability (NOFA) and as defined in Articles
18 II and III. The Grantee will be provided with access to the electronic Line of Credit Control
19 System (e-LOCCS) payment system to draw down these funds.

20 The assistance that is the subject of this Grant Agreement is authorized by and required to
21 be used in accordance with Section 23 of the United States Housing Act of 1937. Funding for
22 this program is authorized by the Further Consolidated Appropriations Act, 2020 (Public Law
23 116-94, enacted December 20, 2019). The Notice of Award and the Exhibits are incorporated
24 into and subject to the terms of this Grant Agreement.

25 HUD and the Grantee hereby agree to be bound by the following terms and conditions of
26 this Grant Agreement:
27

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

30 The Family Self-Sufficiency (FSS) program supports the Department's strategic goal of
31 increasing economic opportunity for HUD-assisted families. FSS provides grants to Public
32 Housing Authorities (PHAs) to support the salaries of FSS Program Coordinators who assist
33 participating families receiving housing assistance through the Housing Choice Voucher
34 (HCV/PBV) and Public Housing (PH) programs, and RAD-affected Project Based Rental
35 Assistance (PBRA). FSS Program Coordinators develop local strategies to connect participating
36 families to public and private resources to increase their earned income and financial
37 empowerment, reduce or eliminate the need for welfare assistance, and make progress toward
38 economic independence and self-sufficiency. In the context of the Self Sufficiency account,
39 "self-sufficiency" is defined as a household's ability to maintain financial, housing, and
40 personal/family stability.
41

42 The Grantee agrees to conduct all activities to be assisted with funds provided under this Grant
43 Agreement in accordance with the following requirements, as such requirements now exist or as

1 they may hereafter be amended (hereafter collectively referred to as the “Family Self-Sufficiency
2 Program Requirements”):

- 3
- 4 1. Award type: This is a cost-reimbursable, performance-based grant.
- 5 2. The Grantee's application including any special conditions, is incorporated into this
6 agreement.
- 7 3. This agreement shall be effective immediately upon electronic signature of the Grantee.
- 8 4. Period of performance: The period of performance will be 12 months. *For FY2020, this will*
9 *be 1/1/2021 – 12/31/2021. PLEASE NOTE:* Funds not expended by the time that the
10 FY2021 grant awards go into effect MAY BE recaptured by HUD.
- 11 5. This Grant Agreement will be governed by the following as they may from time to time be
12 amended: the HUD Appropriations Acts, the United States Housing Act of 1937 as amended,
13 the FY 2020 FSS NOFA dated 7/21/2020, the Code of Federal Regulations (CFR) 24 CFR
14 Part 24, 24 CFR Part 984, 2 CFR Part 200 any applicable OMB Regulations or Circulars, and
15 Handbooks and Notices issued by HUD.
- 16 6. In executing this agreement, the Grantee agrees to abide by the provisions contained within
17 all applicable Federal statutes and regulations, Executive Orders, OMB Circulars, and any
18 assurances and certifications in the final HUD-approved application (the original approved
19 application may have required amendments by the field/applicant), as applicable. In
20 particular, the Grantee agrees to comply with the United States Housing act of 1937 as
21 amended, the FY 2020 FSS NOFA dated 7/21/2020, 24 CFR part 984, and 2 CFR part 200.
- 22

23 By accepting this agreement the recipient and its executives, as defined in 2 CFR § 170.315,
24 certify that the recipient's policies are in accordance with the Office of Management and
25 Budget's guidance located at 2 CFR part 200, all applicable Federal laws, and relevant Executive
26 guidance, especially:

- 27 1. Guidance for Grants and Agreements in 2 CFR Part 200, as updated in the Federal Register
28 on August 13, 2020 (85 FR 49506), including, but not limited to:
 - 29 a. Selecting recipients most likely to be successful in delivering results based on the
30 program objectives through an objective process of evaluating Federal award
31 applications (2 CFR § 200.205);
 - 32 b. Prohibiting the purchase of certain telecommunication and video surveillance
33 services or equipment in alignment with section 889 of the National Defense
34 Authorization Act of 2019 (Pub. L. No. 115—232) (2 CFR § 200.216);
 - 35 c. Promoting the freedom of speech and religious liberty in alignment with the
36 Executive Order on Promoting Free Speech and Religious Liberty (E.O. 13798)
37 and the Executive Order on Improving Free Inquiry, Transparency, and
38 Accountability at Colleges and Universities (E.O. 13864) (2 CFR §§ 200.300,
39 200.303, 200.339, and 200.341);
 - 40 d. Providing a preference, to the extent permitted by law and to the greatest extent
41 practicable under a Federal award, for the purchase, acquisition, or use of goods,
42 products, and materials produced in the United States (2 CFR § 200.322); and

- e. Terminating agreements in whole or in part to the greatest extent authorized by law, if an award no longer effectuates the program goals or agency priorities (2 CFR § 200.340).
2. President's September 2, 2020 Memorandum on Reviewing Funding to State and Local Government Recipients of Federal Funds that Are Permitting Anarchy, Violence, and Destruction in American Cities; and
3. Executive Order on Protecting American Monuments, Memorials, and Statues and Combating Recent Criminal Violence (E.O. 13933).

ARTICLE II: HUD REQUIREMENTS

SUB-ARTICLE A – GRANT ADMINISTRATION, CONDITIONS REQUIRING TERMINATION OF FUNDING

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

If the performance period of this grant is later than 1/1/2021, Grantees may request reimbursement for eligible costs incurred between 1/1/2021 and the start of the performance period of this FY2020 FSS grant where such costs were necessary for the efficient and timely performance of eligible activities under a FY19 FSS grant. **Grantees must contact their field office within 60 calendar days of the start of the performance period to request approval for pre-award reimbursement.** Any reimbursements must comply with 2 CFR 200.458 and are at HUD's sole discretion.
4. The work to be performed under this Grant Agreement is outlined in the FY2020 NOFA.
5. The grant funds shall be used only for eligible activities. Refer to the FY 2020 FSS NOFA for more information on eligible and ineligible uses of funds.
 - a. **HCV or PH Program Functions:** *Per the FY 2020 FSS NOFA*, the FSS Coordinator may perform routine HCV and/or PH program functions, such as annual reexaminations for FSS participants, on a limited basis and only if the use of the FSS funds enhances the effectiveness of the FSS Program. This provision is to be employed only to the extent that these functions do not interfere with the FSS Program Coordinator's ability to fully fulfill the role of the FSS Program Coordinator as their

1 primary work. Performance of routine HCV and/or PH functions for non-FSS
2 families does not enhance the effectiveness of the FSS program and is therefore an
3 ineligible use of FSS funds. Additionally, per the FY 2020 FSS NOFA, while FSS
4 funds may be used to perform some homeownership functions for FSS families, this
5 may not be the sole function for which funds are used. Sections IV.F.2.b and IV.F.2.c
6 of the FY 2020 FSS NOFA describe the requirements that must be met for these
7 activities to be eligible.

8 i. ***Grantees requesting to have the FSS coordinator perform HCV/PH***
9 ***program functions must submit, to its local HUD Field Office, a narrative***
10 ***justification, explaining the routine HCV and/or PH program function(s)***
11 ***performed by the FSS Program Coordinator, how it will enhance the***
12 ***effectiveness of the FSS program, and why it does not impede the ability of***
13 ***the FSS Program Coordinator(s) to effectively perform FSS functions. The***
14 ***Grantee must also certify that the function(s) is not performed for non-FSS***
15 ***families. Once the Grantee has received approval from its local HUD Field***
16 ***Office to complete these activities and has certified they will not perform***
17 ***them for non-FSS families, they are not required to submit this justification***
18 ***on an annual basis, i.e. Grantees only need this approval one time.***

19 b. **Family Self-Sufficiency Guidebook and Online Training:**

20 i. HUD strongly encourages Grantees' executive directors, service coordinators,
21 and resident services leadership to review *Administering an Effective Family*
22 *Self-Sufficiency Program: A Guidebook Based on Evidence and Promising*
23 *Practices*. This guidebook provides FSS Coordinators, PHA and HUD staff
24 with guidance on how to develop and administer a successful and effective
25 FSS program. The guidebook and other helpful resources can be found on
26 HUD Exchange <https://www.hudexchange.info/programs/fss/#1-introduction>

27 ii. ***Mandatory FSS Training.*** HUD has developed an Online Mandatory
28 *Training on the FSS program to provide guidance on how to develop and*
29 *administer a successful FSS program. The mandatory training can be found*
30 *at [https://www.hudexchange.info/trainings/courses/family-self-sufficiency-](https://www.hudexchange.info/trainings/courses/family-self-sufficiency-training/)*
31 *training/*. The Grantee is **required** to have at least one person from each
32 PHA complete the FSS online training and submit the "get credit" form.
33 However, HUD encourages every FSS Coordinator and
34 supervisor/administrator to take the training. If the PHA has satisfied this
35 requirement under an earlier FSS NOFA (a requirement since FY18), and
36 the person who took the training is still employed in the FSS program, the
37 PHA continues to meet this requirement. Note that PHAs were not required
38 to submit any documentation with the FY2020 FSS application to show that
39 they have received credit for the training. HUD will review a report of all
40 individuals that received credit for completing the training from HUD
41 Exchange at the time of grant award. However, the field office may request
42 documentation evidencing completion of the training by a current FSS staff
43 member. The field office will not release grant funds until proof of course
44 completion is received.

- 1 c. **Unexpended Funds.** FSS grant funds that remain unexpended by the end of the
2 grant period (e.g., due to FSS coordinator turnover or prolonged absence) will be
3 recaptured and used to make future grants. *See Article I-4 to ensure same*
4 *language for unexpended funds by FY2021 go into effect.*
- 5 6. Grantees must adhere to the Program Administration provisions on p. 20-23 of the FY2020
6 NOFA. This includes instructions on PCCs, MTW agencies, portability, and the following:
- 7 a. **FSS Program Termination Due to Reduced Funding.** *There are no statutory or*
8 *regulatory provisions that allow for the wholesale termination of an existing FSS*
9 *program. Loss of funding for the FSS coordinator position does not relieve a*
10 *participating PHA of its contractual obligation to families already under an FSS*
11 *contract.*
- 12 b. **"30% Rule".** *Please note that HUD's Office of General Counsel has determined*
13 *that 24 CFR 984.303(g)(2), regarding the second method of graduation, wherein 30*
14 *percent of the monthly adjusted income of the FSS family equals or exceeds the*
15 *published existing housing fair market rent for the size of the unit for which the FSS*
16 *family qualifies based on the PHA's occupancy standards, was not intended to pertain*
17 *to PH residents, but is only applicable to HCV residents. PLEASE NOTE this*
18 *clarification: the PHA's FMR or Small Area Fair Market Rent (SAFMR), if applicable, is*
19 *established yearly by HUD, and the PHA uses that FMR or SAFMR determination to*
20 *adjust its rent calculation. Once they are established and unless the PHA appeals, the*
21 *PHA must follow the established FMR or SAFMR in its rental calculations, including in*
22 *its determination of whether to graduate an FSS family. Thus, if a PHA has an*
23 *established SAFMR, then that PHA must use the SAFMR.*
- 24 c. **Homeownership.** *To be consistent with current practice, the Office of General*
25 *Counsel has determined that participants in the Section 8 Homeownership program*
26 *are ineligible to participate in FSS. To clarify, families moving toward*
27 *homeownership may be in FSS, but they should be exited from the FSS program*
28 *(graduation or other exit) once the voucher is being used for homeownership*
29 *payments (once the home has been purchased). However, be reminded of 24 CFR*
30 *984.303(j): Transitional supportive service assistance. A PHA may continue to offer*
31 *to a former FSS family who has completed its contract of participation and whose*
32 *head of family is employed, appropriate FSS supportive services in becoming self-*
33 *sufficient (if the family still resides in public housing, or Section 8-assisted housing),*
34 *or in remaining self-sufficient (if the family no longer resides in public, Section 8-*
35 *assisted housing, or other assisted housing).*
- 36 i. Please note that while HCV homeownership families are not eligible to
37 participate in FSS, the PHA can incorporate the homeownership goal into the
38 family's FSS contract and any FSS escrow could be advanced for the purchase
39 of a home, including through the HCV homeownership program. Essentially,
40 residents may use FSS as a springboard for the HCV homeownership option.
- 41 ii. If you currently have families that are using the HCV Homeownership option
42 and are enrolled in the FSS Program, those PHAs may continue to serve those
43 families in FSS until the family's FSS participation ends (through graduation

- 1 or for other reasons). However, PHAs may not enroll new HCV
2 homeownership families into FSS.
- 3 d. 120-Day Rule: *In an effort to ease barriers to participation for new families enrolling*
4 *in the FSS Program pursuant to the FY2020 NOFA and going forward, the income*
5 *and rent amounts to be used in the "Program Contract of Participation" shall be*
6 *taken from the amounts on the last certification, reexamination or interim*
7 *determination before the family's initial participation in the FSS program. Note that*
8 *HUD is removing the requirement to do a new rental re-exam if more than 120 days*
9 *have elapsed between the last reexam and the effective date of the contract of*
10 *participation. This requirement is found in the instructions for the FSS Contract of*
11 *Participation, form HUD-52650.*
- 12 i. This change shall be in effect for families enrolling in FSS as of 1/1/2020.
- 13
- 14 **Action Requested: Attach a rider with this language onto form 52650:**
- 15
- 16 "Beginning 1/1/2020, income and rent amounts to be used in the "Program Contract of
17 Participation" shall be taken from the amounts on the last certification, re-examination or interim
18 determination before the family's initial participation in the FSS program. This replaces the
19 requirement, 'FSS Escrow Account The income and rent numbers to be inserted on page one may
20 be taken from the amounts on the last reexamination or interim determination before the family's
21 initial participation in the FSS program, unless more than 120 days will pass between the
22 effective date of the reexamination and the effective date of the contract of participation. If it has
23 been more than 120 days, the HA must conduct a new reexamination or interim redetermination'
24 found in the instructions for the FSS Contract of Participation, form HUD-52650."
- 25
- 26 7. Grantees must request prior approvals from HUD consistent with 2 CFR 200.308(c). In
27 addition, should any of the following conditions arise, Grantees are required to submit in
28 writing any changes to the previously approved grant to the local HUD field office:
- 29 a. Any change in the scope, objective, or conditions of the program.
30 b. Changes in any subcontracting, or otherwise obtaining the services of a third party
31 to perform activities that are central to the purposes.
32 c. Other changes that may adversely affect the program.
- 33 8. Extensions will be granted within the full discretion of HUD. If a grantee wishes to request
34 an extension, a written justification explaining why the extension is needed must be
35 submitted to the field office for review and approval. The justification must include a
36 narrative justification explaining why the extension is needed, how much additional time will
37 be required, and the circumstances that require the proposed extension. The local HUD field
38 office may request additional information or documentation to clarify or verify the items
39 included in the written narrative submitted by the Grantee to support the extension.
- 40
- 41 **Grantees should be aware that any extensions may result in a negative impact on the**
42 **Past Performance review in future grant applications.**
43

- 1 9. Any changes requested by the Grantee must be in writing (emails are acceptable). HUD will
2 approve/reject requested changes as appropriate. Generally, HUD will approve such requests
3 within **30 calendar days** of submission. Approved changes will be reflected by an
4 amendment to the Notice of Award and any other documentation as directed by HUD.
5 Amendments will become effective when the Grantee has electronically signed the amending
6 documents.

7
8 **SUB-ARTICLE B: FINANCIAL RESPONSIBILITIES**
9

- 10 1. Prior to initial drawdown of funds, all Grantees must have secured online access to the
11 Internet as a means to communicate with HUD on grant matters. Applicants shall draw down
12 funds using the electronic Line of Credit Control System (e-LOCCS)
13 2. The Grantee agrees to comply with the organizational audit requirements of OMB at 2 CFR
14 Part 200 including audit requirements. The final audit report must cover the entire period of
15 the grant. The Grantee must submit the audit to HUD no later than **90 calendar days** after
16 the grant is closed, covering the entire award period originally approved or amended. All
17 other requirements of 2 CFR Part 200 shall apply. For Grantees where an audit is required, a
18 single audit or a program-specific audit is acceptable. If a Grantee chooses a single audit, the
19 final audit report that includes this grant is due no later than **30 calendar days** after the
20 single audit is completed. *According to 2 CFR 200.501, Grantees that expend less than*
21 *\$750,000 in federal awards are exempt from the audit requirement, but records must be*
22 *available for review or audit.*
23 3. The Grantee shall minimize the time elapsing between the transfer of funds from HUD and
24 the disbursement of funds. The HUD funds are to be made available based on actual need.
25 The Grantee must make a drawdown *only* for incurred costs. Drawdowns in excess of need
26 may result in special procedures for payments, or termination of the grant when there are
27 persistent violations. Funds requisitioned through e-LOCCS must be disbursed within **three**
28 **calendar days after receipt of funds drawdown.**
29

30 **SUB-ARTICLE C: METHOD OF PAYMENT [FUNDS DRAWDOWN]**
31

- 32 1. The Grantee may not draw down grant funds until all pre-conditions listed in the Notice of
33 Award, this Grant Agreement, the NOFA or in the award letter, are completed by the Grantee
34 and verified by HUD.
35 2. Payments of grant funds shall be through electronic funds transfer using e-LOCCS (Line of
36 Credit Control System). Initial drawdown cannot be earlier than the start date of the grant
37 term.
38 3. **E-LOCCS Program Edits.**
39 a. E-LOCCS will automatically perform a series of review edits (both generic and
40 program specific) of each payment request. Failure of one of the program edits will
41 cause the payment request to be referred to the HUD field office for review.
42 b. The HUD field office will complete the review. The request will remain in the
43 system and further drawdowns will not be allowed until that review is complete and
44 the drawdowns approved or rejected.

- 1 c. The Grantee shall immediately contact the HUD field office when there is a question
2 regarding the request or when the request has been referred to the HUD program
3 office for review. A request will be referred to the program office for review when:
4 i. There are requests for over 10% of total grant funds per calendar month.
5 ii. Failure to submit an annual HUD form SF-425 - *Financial Status Report*, as
6 defined by this agreement and 2 CFR part 200. E-LOCCS shall not accept a
7 request for funds if required reports from the Grantee are ten or more days
8 overdue and will not accept future requests until the HUD field office
9 confirms receipt and approval of the reports in e-LOCCS.
10 iii. If the Grantee repeatedly fails to submit required forms, e-LOCCS will be
11 converted to a system in which the HUD Field Office will **manually** review
12 each drawdown request prior to releasing funds to the Grantee.
13

14 **SUB-ARTICLE D: AUTHORIZED FUNDS BY BUDGET LINE ITEM NUMBER**
15

- 16 1. Please see Article II, Sub-Article A, Numbers 4 and 5 above.
17 2. The Grantee's budget consists of one Budget Line Item:
18 a. 1168 – FSS Coordinator (salary & fringe)
19

20 **SUB-ARTICLE E: REPORTING REQUIREMENTS (§ 984.401)**
21

22 Grantees must submit a SF-425 to your local HUD field office no later than 90 calendar
23 days after the end of the performance period. The reporting period will cover the
24 performance period of the grant (see Article I, Number 4 above). Grantees must also ensure
25 that reporting on Section 17 of the HUD-50058 (Section 23 of HUD-50058-MTW for
26 Moving to Work PHAs) is correct and up to date within the PIC system. If the total Federal
27 share of your Federal award includes more than \$500,000 over the period of performance, you
28 may be subject to post award reporting requirements reflected in Appendix XII to Part 200-
29 Award Term and Condition for Recipient Integrity and Performance Matters.
30

- 31 1. Progress Determination. HUD shall determine the Grantee's progress based upon a review
32 of HUD-50058 Section 17 (and HUD-50058-MTW Section 23) data submitted to PIC as well
33 as compliance with financial and reporting requirements.
34 2. Record Management. The HUD field office shall maintain official records on Grantees'
35 performance measures and progress reports. However, Grantees must also maintain such
36 records, including the SF-425, HUD review, and/or evaluations.
37 3. Documentation. You shall maintain documentation in participant files (paper or electronic)
38 that corroborate the achievement of each interim and final goal in the Contract of
39 Participation such that an outside auditor could verify the fulfillment of the Contract of
40 Participation. This could include certificates of completion, test scores, pay stubs, receipts,
41 or other third-party verification as available or personal certifications if third-party
42 verification is not available.
43 4. Additional Information Requests. You shall comply with all other reporting requirements
44 from time to time established by HUD, in its sole discretion, in connection with FSS. HUD

1 has the authority and total discretion to request the Grantee to report information or produce
2 documents to HUD related to or involving the administration of the grant at any time and
3 without need to establish cause. Failure to comply with such a request may serve as a basis
4 for default and grant termination. You also agree you will:

- 5 a. fully cooperate with all information gathering requests made by HUD or contractors
6 of HUD in the course of authorized evaluations of FSS; and
- 7 b. if requested, submit any post-closeout reports, in the forms prescribed by HUD, for
8 up to three years from the date of the submission of the annual financial report, per 2
9 CFR 200.334 "Retention requirements for records."

- 10 5. HUD has the authority and total discretion to request the Grantee to report information or
11 produce documents to HUD related to or involving the administration of the grant at any time
12 and without need to establish cause. Failure to comply with such a request may serve as a
13 basis for default and grant termination.

14 15 **SUB-ARTICLE F: ADMINISTRATIVE REQUIREMENTS**

- 16
- 17 1. Grantees must comply with all current HUD program rules and regulations.
- 18 2. Grantees shall maintain, and have access to, copies of documents relating to the award and
19 administration of this grant for at least three years after final closeout date of the grant for
20 inspection by HUD, the General Accounting Office, or their duly authorized representatives.
- 21 3. Grantees' accounting systems must ensure that HUD funds are not co-mingled with funds
22 from other Federal, State, or local government agencies or other HUD program funds. Funds
23 specifically budgeted and/or received for one program may not be used to support or
24 reimburse another. Where your accounting system cannot comply with this requirement, you
25 must establish a system to provide adequate fund accountability for each program for which
26 you have been awarded funds. Your selection of depository facility (such as a bank for
27 example) shall be compliant with Federal regulations and have insurance from the Federal
28 Deposit Insurance Corporation or the National Credit Union Share Insurance Fund to insure
29 the established account.
- 30 4. Grantees agree to comply with the following requirements for which HUD has enforcement
31 responsibility 2 CFR part 200, including procurement requirements and cost principles set
32 forth in 2 CFR part 200, subpart E.
- 33 5. Equal Opportunity Requirements. Grant funds must be used in accordance with the
34 following:
 - 35 a. The requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d)
36 (Nondiscrimination in Federally Assisted Programs) and implementing
37 regulations issued at 24 CFR Part 1.
 - 38 b. The Fair Housing and Civil Rights Laws, which encompass the Fair Housing Act and
39 related authorities (cf. 24 CFR 5.105(a)).
 - 40 c. The prohibitions against discrimination on the basis of age under the Age
41 Discrimination Act of 1975 (42 U.S.C. 6101-07) and implementing regulations at
42 24 CFR Part 146, and the prohibitions against discrimination against handicapped
43 individuals under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794)
44 and implementing regulations at 24 CFR Part 8.

- d. The requirements of Executive Order 11246 (Equal Employment Opportunity) and the implementing regulations issued at 41 CFR Chapter 60.
6. The regulations in 24 CFR 87, related to lobbying, including the requirement that the Grantee obtain certifications and disclosures from all covered persons.
7. Drug-free Workplace Requirements (Grants) in 2 CFR 2424.
8. Restrictions on participation by ineligible, debarred or suspended persons or entities at 2 CFR Part 2424, Subparts A through J, which are applicable to contractors and subGrantees.

Other applicable regulations.

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

SUB-ARTICLE G: GRANT CLOSEOUT

1. 2 CFR 200.343 Closeout prescribes uniform closeout procedures for recipients of Federal grants. It is the Grantee's responsibility to comply in full with all closeout reporting requirements and to submit closeout reports in a timely manner.
2. The Grantee shall initiate project closeout within **90 calendar days** of the grant's termination date. At HUD's option, the Grantee may delay initiation of project closeout until the resolution of any HUD monitoring findings. If HUD exercises this option, the Grantee must promptly resolve the findings.
3. The Grantee recognizes that the closeout process may entail review by HUD to determine compliance with the grant agreement. The Grantee shall cooperate with any and all reviews which may include making available records requested for on-site HUD inspection.
4. Within **90 calendar days** after the Period of Performance End Date the grant or any approved extension (revised end-date), you must submit the following documents to the HUD field office:
 - a. A certification of project completion, which is a statement written and signed by you
 - b. A certification of compliance with all requirements of the grant agreement, which is a statement written and signed by you
 - c. **Financial Report (SF-425) (see Sub-Article E).** Grantees must submit an SF-425 for the 12-month period of the grant. This submission also serves as the Grantee's final report which is a cumulative summary of expenditures to date and must indicate the exact balance of unexpended funds. (The report shall cover the grant start date to the end of grant).
5. The HUD local field office will review Preliminary Close-Out Materials to confirm that:
 - a. The amounts on the final FSS Budget and SF-425 agree as to funds approved, obligated, and expended.

- b. The amount of funds approved and disbursed on the SF-425 agrees with HUD records in e-LOCCS.
 - c. If HUD disbursed more funds than the Grantee expended, the Grantee will immediately remit to HUD the excess funds, without waiting for completion of the final audit.
6. When the final HUD form SF-425 is approved, the HUD field office will establish the amount due to HUD or recapture any unused grant funds as applicable.
 7. When the HUD field office has determined to its satisfaction that the grant activities were completed and all Federal requirements were satisfied, the HUD field office will execute a closeout amendment to the Grant Agreement with the Grantee.
 8. The Closeout Agreement or clause will include the Grantee's agreement to abide by any continuing Federal requirements.
 9. Failure to submit the required financial report or any required audit report; or to resolve program, financial or audit issues, may result in a suspension or termination of any and/or all HUD grant payments.

SUB-ARTICLE H: DEFAULT

Unsatisfactory Performance/Default

1. **Default.** A default under this Agreement shall consist of any failure to comply with Federal statutes, regulations, or the terms and conditions of the FSS grant or any material misrepresentation in the application submissions. If HUD determines that the Grantee has defaulted under this Agreement, HUD may take any remedial action legally available, including remedial actions outlined in 2 CFR part 200. Actions that may constitute a default under this Agreement include, but are not limited to:
 - a. use of funds provided under this Grant Agreement for any purpose, in any manner or at any time, other than as authorized by this Grant Agreement;
 - b. failure to comply with the FSS Program Requirements or any other Federal, State, or local laws, regulations, or requirements applicable in operating the FSS Program;
 - c. failure to make any submission under Article II, perform any obligation, or otherwise fail to proceed in a manner consistent with the NOFA application;
 - d. any material misrepresentation in any of the required submissions, including, without limit, any misrepresentations in any of the submissions required by Article II); or
 - e. failure to comply with, or any material breach of, any other requirements, conditions, or terms of this Grant Agreement.
1. **Additional Conditions.** If a Grantee defaults under this Agreement, HUD may impose additional conditions, as described in 2 CFR 200.208. Additional conditions will be imposed in compliance with 2 CFR 200.208(c). Additional conditions HUD may impose may include, but are not limited to:
 - a. Requiring additional, more detailed financial reports;
 - b. Requiring additional grant monitoring;
 - c. Requiring the Grantee to obtain technical or management assistance;
 - d. Establishing additional prior approvals;

- 1 e. Requiring the Grantee to follow a HUD-approved detailed schedule of grant
2 activities;
- 3 f. Requiring HUD manual review and approval of every drawdown request.
- 4 2. **Other Remedies.** If HUD determines that a default cannot be remedied by imposing
5 additional conditions, HUD may, pursuant to 2 CFR 200.339, take one or more of the
6 following actions, as a proportional response:
- 7 a. Temporarily withhold cash payments pending correction of the deficiency by the
8 Grantee or more severe enforcement action by HUD.
- 9 b. Disallow (that is, deny both use of funds and any applicable matching credit for) all
10 or part of the cost of the activity or action not in compliance.
- 11 c. Wholly or partly suspend or terminate the grant.
- 12 d. Initiate suspension or debarment proceedings as authorized under 2 CFR part 180
13 and HUD regulations.
- 14 e. Withhold further grant awards for the program.
- 15 f. Reduce the FSS Program Grant in the amount affected by the default.
- 16 g. Recapture any FSS Program Grant funds not obligated by the Grantee.
- 17 h. Take action against the Grantee under 2 CFR part 2424 and Executive Order 12549
18 with respect to future HUD or Federal grant awards.
- 19 i. Take other remedies that may be legally available, including requiring
20 reimbursement by the Grantee for grant amounts used improperly.
- 21 3. **Notice of Termination and Opportunity to Object.** If the Grantee materially defaults
22 under this Agreement, HUD may terminate the grant. Furthermore, per 2 CFR
23 200.340(a)(1), the grant may be terminated in whole or in part by HUD if the grantee fails
24 to comply with the terms and conditions of this agreement. Additionally, pursuant to 2
25 CFR 200.340(a)(2), this grant may be terminated in whole or in part by HUD, to the
26 greatest extent authorized by law, if an award no longer effectuates the program goals or
27 agency priorities. Any findings regarding a Grantee's failure to abide by the terms of this
28 grant that would support a termination of funding shall be exclusively within HUD's
29 discretion. If HUD pursues termination of the grant, HUD will follow the termination
30 process established in 2 CFR part 200, including providing notice of termination pursuant
31 to 2 CFR 200.341. Pursuant to 2 CFR 200.342, HUD will also provide the Grantee an
32 opportunity to object and provide information and documentation challenging a
33 termination.
- 34 4. **Delinquent Federal Debts.** Consistent with the purposes and intent of 31 U.S.C. 3720B
35 and 28 U.S.C. 3201(e), Grantees with an outstanding federal debt must provide to HUD a
36 negotiated repayment schedule which is not delinquent or have made other arrangements
37 satisfactory to HUD. If arrangements satisfactory to HUD cannot be completed within 90
38 days of notification of selection, HUD will not make an award of funds to the Grantee but
39 offer the award to the next eligible Grantee. Applicants selected for funding, or awarded
40 funds, must report to HUD changes in status of current agreements covering federal debt. If
41 a previously agreed-upon payment schedule has not been adhered to or a new agreement
42 with the federal agency to which the debt is owed has not been signed, the Grantee will be
43 considered to be in default under this Agreement.

1
2 **SUB-ARTICLE I: GRANT MODIFICATION OR TERMINATION**
3 **BY AGREEMENT BETWEEN HUD AND GRANTEE**
4

- 5 1. HUD and the Grantee may mutually agree to modify this agreement as to time, cost, or
6 activity by using the Notice of Award and/or grant agreement in whole or in part, at any time.
7 2. Pursuant to 2 CFR 200.340(a)(3), HUD and the Grantee may mutually agree to terminate the
8 agreement, including for convenience; if HUD and the Grantee agree to terminate the
9 Agreement, the two parties must agree upon the termination conditions, including the
10 effective date and, in the case of partial termination, the portion to be terminated. Pursuant to
11 2 CFR 200.340(a)(4), the Grantee may terminate the Agreement upon sending to HUD
12 written notification setting forth the reasons for such termination, the effective date, and, in
13 the case of partial termination, the portion to be terminated. If the Grantee seeks to terminate
14 this agreement, it must provide at least 30 days' advance written notice to HUD.
15

16 **SUB-ARTICLE J: DISPUTES**
17

18 Disputes between the Grantee and HUD shall, to the maximum extent possible, be
19 resolved by mutual agreement between the Grantee and the Public Housing Director in the Field
20 Office (Grant Officer). If agreement cannot be reached, the Grantee can submit, in writing, a
21 disputed issue to the Grant Officer. The Grant Officer will consider the disputed issue and
22 prepare a written decision. The Grantee may appeal the Grant Officer's decision within 30 days
23 after receipt of notification. Appeals will be reviewed by the Director of Community and
24 Supportive Services, Office of Public Housing Investments, 451 7th Street, SW, Room 4130,
25 Washington, D.C. 20410. The decision of the Director of Community and Supportive Services
26 shall be final. However, the Grantee does not waive any legal remedy by agreeing to this
27 provision.
28

29 **SUBARTICLE K: MONEY DAMAGES**
30

31 This grant agreement does not contemplate money damages for breach of the agreement
32 by HUD. The Grantee is entitled to any relief against HUD for breach of the agreement that is
33 provided by the Administrative Procedure Act.
34

35 **ARTICLE III: GRANTEE PERFORMANCE**
36

37 HUD will judge performance based upon whether the Grantee achieves the agreed upon
38 activities within grant time limits and within budget and whether the Grantee has produced
39 tangible results through the implementation of grant activities.
40

41 **Program Coordinator.** See the FY2020 FSS NOFA for a sample position description of an
42 FSS Program Coordinator.
43

1 **Public Housing Information Center (PIC).** All FSS programs must report activities of their FSS
2 enrollment, progress, and exit activities of their FSS program participants through required
3 submissions of the form HUD-50058 at least annually. HUD's assessment of the accomplishments
4 of the FSS programs of PHAs funded under this NOFA will be based primarily on PIC system data
5 obtained from forms HUD-50058 and HUD-50058-MTW. HUD requires submission of racial and
6 ethnic data and form (HUD-27061-H) that is often used for that purpose. The HUD-50058 and
7 HUD-50058-MTW forms, which provide racial and ethnic data to HUD's PIC data system, are
8 comparable program forms that must be submitted annually instead of the HUD-27061-H by PHAs
9 for reporting racial and ethnic data for FSS program participants. See Notice PIH 2016-08, and any
10 subsequent amendments to the notice, for information on FSS reporting requirements in PIC. A
11 webcast training on the provisions of PIH 2016-08 was published on August 12, 2016. Also note that
12 as of May 2015, HUD established a set of warnings and fatal edits related to FSS PIC reporting. All
13 of the preceding documents and information can be found on the FSS webpage at the following
14 address: https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/fss
15

16 **Voucher Management System (VMS).** PHAs must continue to report HCV FSS coordinator
17 expenses into VMS for any HCV FSS funds made available under the FY 2013 (or earlier) HCV FSS
18 NOFA. However, due to the combined funding streams starting with the FY 2014 FSS NOFA,
19 PHAs will no longer use VMS to report HCV FSS coordinator expenses for funds made available
20 under this NOFA. Note that PHAs must continue to enter the amount of HCV FSS escrow deposits
21 and HCV FSS escrow forfeitures into VMS for all funds made available. Also note that amounts
22 expended in excess of the FSS grant for costs associated with the administration of the FSS program
23 which are allocated to the HCV program including the FSS coordinator's salary and benefits as well
24 as additional eligible costs such as office space, computer costs, office supplies, etc. must be reported
25 in VMS as administrative expenses. PHAs with an FSS program serving both PH and HCV families
26 with costs not chargeable to funds awarded under this NOFA will be required to develop a cost
27 allocation method that allocates these expenses fairly between the two programs. See REAC
28 Accounting Brief #23 and any subsequent revisions for more information on how to record and
29 account for FSS expenses.
30

31 **ARTICLE IV: GRANTEE MISREPRESENTATION** 32

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