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**FISCAL YEAR 2004 RESIDENT OPPORTUNITIES AND SELF SUFFICIENCY
PROGRAM GRANT AGREEMENT**

RESIDENT SERVICE DELIVERY MODELS - FAMILY
(Attachment to Form HUD-1044)

BACKGROUND

The [REDACTED] has been selected to receive funding under the FFY 2004 ROSS Resident Service Delivery Model-Family program to provide: expanded educational opportunities; job training; technology training and access; and other programs to help public housing residents achieve economic self-sufficiency.

ARTICLE I: BASIC GRANT INFORMATION AND REQUIREMENTS

1. This Agreement is between the U.S. Department of Housing and Urban Development (HUD and the recipient [REDACTED] identified in block 7 on the cover sheet of this agreement, form HUD-1044, hereinafter referred to as the Grantee. The Grantee's application and the HUD grant approval letter, including any special conditions, are incorporated into this agreement.
2. HUD will make [REDACTED] available in total grant funds as shown on form HUD-1044 upon grant award and HUD approval.
3. This agreement and the HUD-1044 shall be effective immediately upon signature of **both parties**.
4. Period of performance: The period of performance will be 36 months.
5. Award type: This is a-cost-reimbursable, performance-based grant.
6. This Grant Agreement incorporates and will be governed by the following, as they may from time to time be amended: the HUD Appropriations Acts, the United States Housing Act of 1937 as amended, the Quality Housing and Work Responsibility Act (QHWRA), the ROSS NOFA dated 05/14/04, as amended, the Code of Federal Regulations (CFR) 24 Part 24, 24 CFR Part 84, 24 CFR part 85, 24Part 964, any applicable OMB Circulars, Handbooks and Notices issued by HUD.
7. In executing this agreement, the Grantee agrees to abide by the provisions contained within all applicable Federal laws, Executive Orders, OMB Circulars, specifically OMB Circular A-110, any assurances and certifications in the final HUD-approved application (the original approved application may have required amendments by the field/applicant), and 24 CFR Part 964.

ARTICLE II: HUD REQUIREMENTS

SUB-ARTICLE A - WORK PLAN REQUIREMENTS, CHANGES TO WORK PLAN, GRANT ADMINISTRATION, CONDITIONS REQUIRING TERMINATION OF FUNDING

1. The Grantee shall attend meeting(s) (when notified by HUD) at 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 (work plan) 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, work plan and this Grant Agreement (except as otherwise specified).
3. The Grantee agrees that costs incurred prior to the execution of this Grant Agreement and implementation of HUD-approved grant activities, shall not be reimbursable by using funds from this grant.
4. The work to be performed under this Grant Agreement is outlined in the attached work plan which must be approved by the HUD field office overseeing the administration of this grant (as the work plan approved by HUD's Grants Management Center may require modification). The work plan must be signed and dated by both the HUD field office and the Grantee.
5. The grant funds shall be used only for activities described in the application and approved by HUD in the work plan and this Grant Agreement.
6. Grantees are required to submit for approval any deviations or revisions to their HUD-approved budget and work plan (grant activities) **prior to implementing them**. According to the guidelines below, Grantees are required to submit for HUD approval any changes to the approved budget, work plan and Budget Work Sheet and SF-424, Scope of Work, Business Plan or timetable to the appropriate local HUD field office personnel in writing.
 - a. Any increase over 10% of the total of any budget activity/line item.
 - b. Any change in the scope or objective of the program.
 - c. Any change in the project or program timetable.
 - d. Changes in staffing especially in the cases of individuals with key responsibilities such as the Project Coordinator, instructors or other essential staff.
 - e. Changes in any subgranting, contracting, or otherwise obtaining the services of a third party to perform activities that are central to the purposes of the grant must be previously approved by HUD.

7. Grantees needing to extend the term of their grant in order to fully accomplish their goals, must do so in writing thirty calendar days prior to the grant termination date, The request must be submitted to the field office for review and approval. The Grantee must also:
 - a. Have current and acceptable Financial Status Reports (SF 269A) which must be on file with the field office.
 - b. Submit a narrative justification explaining why the extension is needed, how much additional time will be required, the circumstances that require the proposed extension, and the effect of a denial of the request.
 - c. Have satisfied all special conditions of the grant agreement except those that must be fulfilled in the remaining period of the grant. This includes the performance and resolution of audit findings in a timely manner.

8. Any changes requested by the Grantee must be in writing. HUD will approve/reject requested changes as appropriate. Approved changes will be reflected by an amendment to this Grant Agreement and issued by a revised HUD-1044 cover sheet with any attached documents as needed to define changes approved. Amendments will become effective upon execution of the HUD-1044 between HUD and the Grantee when both parties have signed the HUD-1044.

9. If the Grantee's HUD-approved work plan is not implemented within **60 days of the grant start date (the start date is the date both parties sign the HUD-1044 and this Grant Agreement)**, the Grantee must report by letter to the appropriate HUD field office of the steps taken to initiate the plan, resulting changes to the timetable, the reason for the delay, and the expected starting date. Any timetable revisions as a result of the delay must be included for HUD approval. **NOTE:** Failure to comply with this requirement may result in termination of this agreement and recapture of grant funds.

10. HUD may terminate funding if the Grantee demonstrates an unwillingness or inability to complete the approved work plan; does not use procedures that will minimize the time elapsing between drawdowns and disbursements of grant funds; does not adhere to agreement requirements or special conditions; engages in the improper award or administration of grant subcontracts; does not submit required reports; or produces unacceptable deliverables.

SUBARTICLE B: FINANCIAL RESPONSIBILITIES

1. The Grantee shall use leverage/match resources in accordance with its approved application and approval from HUD field office staff.
2. Prior to initial drawdown of funds, all Grantees must have secured online access to the Internet as a means to communicate with HUD on grant matters. Applicants shall draw down funds using the electronic Line of Credit Control System (e-LOCCS). Tribes/TDHEs may request to be exempted from this and may continue to use the Line of Credit Control System (LOCCS) voice response system.
3. Depending on the type of Grantee organization, where applicable, the Grantee agrees to comply with the organizational audit requirements of OMB Circular A-133 and HUD 24 CFR Part 84 or 85 including audit requirements. The final audit report, must cover the entire period of the grant. The audit must be submitted to HUD no later than 90 days after the grant is closed, covering the entire award period originally approved or amended. An original and one identical copy of the report shall be sent to HUD. All other requirements of 24 CFR Parts 84 or 85 shall apply.
4. The Grantee shall minimize the time elapsing between the transfer of funds from HUD and the disbursement of funds. The HUD funds are to be made available based on actual need. The Grantee must make a drawdown for costs incurred only. Drawdowns in excess of need may result in special procedures for payments, or termination of the grant when there are persistent violations. Funds requisitioned through LOCCS must be disbursed within **seven calendar days after receipt of funds drawdown**. The Grantee must be in compliance with OMB Circulars A-87, A-122 or A-133, as applicable.
5. Prior to traveling outside the local area for HUD-sponsored training/conferences, the Grantee must request approval from the HUD field office in order for funding and reimbursement to be approved. Travel costs for grant program staff may not exceed \$5,000 for the life of the grant.

SUBARTICLE C: METHOD OF PAYMENT [FUNDS DRAWDOWN]

1. The Grantee may not draw down grant funds until the following actions have taken place:
 - a. HUD has received and approved any certifications and disclosures required by 24 CFR 87.110 concerning lobbying and by 24 CFR 24.510(b) regarding ineligibility, suspension and debarment. This also includes any other required certification forms, which must be completed and included as a part of this grant agreement.
 - b. All pre-conditions listed in form HUD-1044, this Grant Agreement or the NOFA, must be completed by the grantee and verified by HUD. (Example, commitment to a Match)
2. Payments of grant funds shall be through electronic funds transfer using the Line of Credit Control System-Voice Response System (VRS) or E-LOCCS. Initial drawdown cannot be earlier than the start date of the grant term. NOTE: Costs cannot be reimbursed for activities undertaken prior to the grant's start date. The basic procedure is as follows:
 - a. To establish a line of credit, the Grantee must complete and submit the following forms:
 - i. HUD-27054 *Voice Response System Access Authorization* (for VRS and e-LOCCS)
 - ii. SF-1199A *Direct Deposit Sign-Up Form* with sample **voided** check. NOTE: The depositor account on the SF-1199A may be the same receiving account as other HUD programs.
 - iii. These forms should be sent to the Grantee's local HUD field office for processing. The field office will provide the grant number and program area code.
3. After HUD processes the above documents, the Grantee will receive two letters:
 - a. One certified letter will provide a user identification number and password for the individual who will be authorized to draw down the funds from LOCCS.
 - b. The second certified letter will contain specific instructions on how to use the LOCCS system.
4. After the Grantee receives these two letters, it will be technically equipped to request drawdowns.

(B)

5. VRS-LQCCS or E-LOCCS Program Edits.

- a. E-LOCCS will automatically perform a series of review edits (both generic and program specific) of each payment request. Failure of one of the program edits will cause the payment request to be referred to the HUD field office for review.
- b. The HUD field office will complete the review. The request will remain in the system and further drawdowns will not be allowed until that review is complete and the drawdowns approved or rejected.
- c. The Grantee shall immediately contact the HUD field office when there is a question regarding the request or when the request has been referred to the HUD program office for review. A request will be referred to the program office for review when (specific edits):
 - i. There are requests for over 10% of total grant funds per calendar month;
 - ii. Total drawdowns exceed 110% of any budget line item on form HUD-50080;
 - iii. Failure to submit a semiannual HUD form SF-269A - *Financial Status Report*, narrative performance report and/or Logic Model, as defined by this agreement and 24 CFR 84 or 85. VRS-LOCCS or E-LOCCS shall not accept a request for funds if required reports from the Grantee are thirty or more days overdue and will not accept future requests until the HUD field office confirms receipt and approval of the reports in LOCCS.
 - iv. If the Grantee repeatedly fails to submit required forms, LOCCS will be converted to a system in which the HUD Field Office will manually review each drawdown request prior to releasing funds to the Grantee.



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

1. In accordance with Notice PIH 2003-30, extended by Notice PIH 2004-22, the Grantee's budget will be broken down to fit the Voucher Budget Line Items as follows:

Budget Line Item Number	Description	Amount Approved
1168	<u>Project Coordinator</u> - Up to 20 percent of the total grant amount, not to exceed \$62,500 annually, may be used for combined salary and fringe benefits of a Project Coordinator. The Project Coordinator may perform activities such as, but not limited to: marketing the program to public housing residents; assessing participating residents' skills and job-readiness; assessing participating residents' needs for child-care, transportation and other supportive services; design grant activities based on residents' needs and the local labor market; delivering training; developing/modifying the grant work plan; working with the HUD field office as necessary; and measuring/tracking the grant's performance.	\$49,648
1169	<u>Contract Administrator (CA)</u> - If the Grantee is a resident organization, nonprofit, or troubled PHA, the Grantee must hire a CA. Nontroubled PHAs are not required to do so. CAs may not be paid more than the daily equivalent of the rate paid for Level IV of the government's Executive Schedule (\$134,000 annually for FY 2003; see http://www.opm.gov/oca/03/tables/html/ex.asp). The ROSS grant is a cost-reimbursable grant. As such, grant funds may not be housed by grantees but must be expended within seven business days of drawdown from the Line of Credit Control System (LOCCS). CAs must oversee all financial aspects of the grant such as ensuring that all costs incurred are eligible, that funds are expended within seven business days after drawdown from LOCCS, and that grantees follow federal procurement regulations when purchasing the services of a subcontractor or other services. <i>CAs are expressly forbidden from accessing LOCCS and/or submitting vouchers on behalf of grantees.</i> CAs may assist in the implementation of other grant activities.	
1268	<u>Training Costs</u> - Eligible costs include: developing or purchasing curriculum; delivering training; evaluating professional trainers/subcontractors; developing Memoranda of Understanding (MOUs) with training or supportive service providers; on-going marketing of the training program to residents; assessments of residents' training and supportive services needs; and other training-related costs.	\$40,000
1368	<u>Individual Savings Accounts (ISAs)</u> - Not more than 20 percent of total grant funds may be used for this purpose. ISAs can only be used to help residents: purchase a first home; pay for post-secondary education or training; or start a small business.	\$18,000
1369	<u>Stipends</u> - May not be more than \$200 a month per resident to help defray costs of participating in training. Residents' training-related expenses must be reasonable and documented by valid receipts. Stipends may be used for transportation, supplemental educational materials, and childcare expenses.	\$86,400

1438	<u>Supportive Services</u> - Grant funds may be used to coordinate and set up supportive services such as childcare centers and transportation services. <i>Grant funds may not be used to purchase, lease, or rent space or vehicles.</i> Users of supportive services must be participants in grant-funded activities.	\$42,000
1568	<u>Subcontracting</u> - Grant funds may be used to subcontract for technical assistance and/or services that are related to the Grantee's approved work plan. Federal procurement regulations must be followed in order for HUD to honor vouchers from subcontractors and reimburse for services rendered. Nonprofit organizations should refer to 24 CFR §84.84; states, local and federally recognized tribes should refer to 24 CFR §85.36.	
1768	<u>Travel Costs</u> - Grant funds may be used for the Project Coordinator and other key program staff to attend HUD-sponsored training, workshops, or conferences not in the local area. Eligible costs include airfare, taxi, per diem, and other costs such as phone calls, parking, etc. that are associated directly to HUD-sponsored training. Travel costs for grant program staff may not exceed \$5,000 for the life of the grant and must receive prior approval from the HUD Field Office.	\$ 5,000
1868	<u>Administrative Costs</u> - May not exceed 10 percent of total grant funds. Eligible costs include the purchase of supplies, equipment, furniture, resident salaries (see below) and local travel for program staff.	\$ 6,003
1878	<u>Resident Salaries</u> - Grant funds may be used to pay residents who are hired to work to support grant program activities. Payment of resident salaries must come from the 10 percent allotment for administrative costs.	
1968	<u>Indirect Costs</u> - Grant funds may be used to pay for costs that have been incurred for common or joint objectives and cannot be readily identified or allocated to one specific grant program or cost objective. For example, a single photocopy machine may be used to support a variety of programs. Therefore, the cost associated with running, using and maintaining the photocopy machine should be shared among the various programs using it.	\$ 1,189
TOTAL		\$248,240

SUBARTICLE E: REPORTING REQUIREMENTS

1. The Grantee must evaluate its ROSS activities and submit a semi-annual performance narrative, Logic Model and SF-269A to HUD. The narrative, Logic Model and SF-269A shall be submitted on January 31st and July 30th of each grant year to the Grantee's local HUD field office. These reports shall conform to OMB Circular A-110.
2. HUD shall determine the Grantee's progress based upon a comparison between the Grantee's actual performance and its performance objectives and timelines established in the HUD-approved work plan and budget.
3. The Grantee must provide clear written reports that evaluate the Grantee's progress with respect to the goals and objectives it set out to achieve. The Grantee will use the performance measures HUD approved to track its progress. These performance measures must be part of baseline reporting and must be reported for each reporting period during the term of the grant using the narrative, Logic Model and the SF-269A.
 - a. The narrative shall explain what goals have been accomplished, what challenges were encountered, how they were addressed, and which goals remain to be achieved.
 - b. The Grantee shall use the Logic Model to report on the grant's performance (outputs and outcomes).
 - c. If the Grantee is not meeting its promised objectives, the reports should explain why such progress is not being made. Other pertinent information, such as cost-overruns, should also be included.
 - d. The financial report shall be submitted using SF-269A.
4. During the term of the grant, HUD may ask Grantees to begin reporting using a web-based performance measurement tool. This tool will capture information contained in the Logic Model, but may also be designed to capture narrative and budget information in which case the Grantee may submit all its required reports via the Internet.
5. The HUD field office shall maintain official records on the Grantee's performance measures and its progress reports. However, the Grantee must also maintain such records, including the performance narrative, Logic Model, and SF-269A for ROSS program assessments, HUD review, and/or evaluations.
6. No grant payments shall be approved until all required reports (performance narrative, Logic Model, and SF-269A) are received and approved by the HUD field office.

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SUBARTICLE F: ADMINISTRATIVE REQUIREMENTS

1. Grantees must comply with all current HUD programs.
2. The Grantees shall maintain, and have access to, copies of documents relating to the award and administration of this grant for at least three years after final closeout date of the grant for inspection by HUD, the General Accounting Office, or their duly authorized representatives.
3. The accounting systems of the Grantee must ensure that HUD funds are not co-mingled with funds from other Federal, State, Tribal, or local government agencies or other HUD program funds. Funds specifically budgeted and/or received for one program may not be used to support or reimburse another. Where the Grantee's accounting system cannot comply with this requirement, the Grantee must establish a system to provide adequate fund accountability for each program for which it has been awarded funds. The Grantee's selection of depository facility (such as a bank for example), shall be compliant with Federal regulations and have insurance from the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund to insure the established account.

The Grantee agrees to comply with the following requirements for which HUD has enforcement responsibility:

- a. Administrative requirements of OMB Circular A-110. These include the procurement requirements of OMB Circular A-110.
 - b. Depending upon the type of Grantee organization (nonprofit or State/local government) Grantees where applicable, are required to comply with the standards set forth in OMB Circular A-122 on Cost Principles for nonprofit organizations, or OMB Circular A-87 on Cost Principles for State and local governments.
5. Equal Opportunity Requirements. Grant funds must be used in accordance with the following:
- a. The requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) (Nondiscrimination in Federally Assisted Programs) and implementing regulations issued at 24 CFR Part 1.
 - b. The prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-07) and implementing regulations at 24 CFR Part 146, and the prohibitions against discrimination against handicapped individuals under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR Part 8.

- c. The requirements of Executive Order 11246 (Equal Employment Opportunity) and the implementing regulations issued at 41 CFR Chapter 60.
 - d. The requirements of Section 3 of the Housing and Urban Development Act of 1968, (12 U.S.C. 1701u) State that (1) to the greatest extent feasible, opportunities for training and employment arising in connection with the planning and carrying out of any project assisted with grant funds be given to low-income persons residing within the unit of general local government or the metropolitan area (or non-metropolitan county) as determined by HUD, in which the project is located; and (2) to the greatest extent feasible, contracts for work to be performed in connection with any such project be awarded to business concerns, including but not limited to individuals or firms doing business in the field of planning, consulting, design, architecture, building construction, rehabilitation, maintenance, or repair, which are located in or owned in substantial part by persons residing in the same metropolitan area (or non-metropolitan county) as the project.
- 6. Any requirements that may be imposed by HUD are subject to the National Environmental Policy Act or other legislation implemented by 24 CFR Part 50. HUD regulatory requirements on toxic chemicals, noise, and airport clear zones also apply.
 - 7. A Grantee proposing physical improvement activities is prohibited from rehabilitating, converting, leasing, repairing or constructing property, or committing or expending HUD or non-HUD funds for these types of program activities until one of the following has occurred:
 - a. If the Grantee is not a PHA, HUD has completed an environmental review to the extent required by 24 CFR part 50, prior to grant award.
 - b. If the Grantee is a PHA, HUD has approved the Grantee's *Request for Release of Funds* (HUD form 7015.15) following an environmental review completed by an authorized entity under 24 CFR Part 588, where required, or if HUD has determined in accordance with 24 CFR Part 58.11 to perform the environmental review itself under 24 CFR Part 50, HUD has completed the environmental review.
 - 8. The regulations in 24 CFR 87, related to lobbying, including the requirement that the Grantee obtain certifications and disclosures from all covered persons.
 - 9. Drug-free Workplace Requirements (Grants) in 24 CFR 24 Subpart F.
 - 10. Restrictions on participation by ineligible, debarred or suspended persons or entities at 24 CFR Part 24, Subparts A through E, which are applicable to contractors and subgrantees.
 - 11. Other applicable regulations.

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12. The Grantee's 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, computer disks, e-mail, or CDs to HUD, the systems must be compatible so that HUD receives an exact copy.
13. The Grantee's 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. OMB Circular A-110 prescribes uniform closeout procedures for Federal grants and other agreements.
2. Code of Federal Regulations (CFR), 24 CFR Part 84 and 85 prescribe uniform closeout procedures for Federal cooperative agreements/grant agreements.
3. It is the responsibility of the Grantee to comply in full with all closeout-reporting requirements and to submit closeout reports in a timely manner.
4. The Grantee shall initiate project closeout within 30 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.
5. 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.
6. Within 90 days after the end date of the grant or any approved extension (revised end-date), the following documents must be submitted by the Grantee to the HUD field office:
 - a. A certification of project completion.
 - b. A certification of compliance with all requirements of the grant agreement.
 - c. **Final Financial Report (SF-269A)**. The final report will be a cumulative summary of expenditures to date and must indicate the exact balance of unexpended funds. (Report shall cover grant start date to the end of grant). When the final HUD form SF-269A is approved, the HUD field office will establish the amount due to HUD or cancel (recapture) any unused grant funds as applicable.
 - d. **Final Performance Report**. This report must be submitted to the HUD field office based on the approved evaluation plan and performance outcomes and shall cover the entire grant period.
 - e. **Final Logic Model**. The Logic Model must be completed to reflect all grant outputs and outcomes achieved during the term of the grant.
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.

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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, program/performance progress 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.

SUBARTICLE H: DEFAULT

1. **Definition:** A default under this Agreement shall consist of using grant funds for a purpose other than as authorized by this agreement; any noncompliance with legislative, regulatory, or other requirements applicable to this Agreement; any other material breach of this Agreement; or any material misrepresentation in the application submissions.
2. **HUD Preliminary Determination of Default.** If HUD makes an initial determination that the Grantee is in default, HUD will give the Grantee written notice of this determination and of the corrective or remedial action the Grantee must take in order to avoid default. The Grantee shall have an opportunity to demonstrate, per HUD Handbook 2210.17, and on the basis of substantial facts and data, that it is not in default, or that the proposed corrective or remedial action is inappropriate, before HUD implements the remedial action.
3. HUD shall provide the Grantee with an opportunity at the earliest possible time to demonstrate that it is not in default or that the proposed remedial action is inappropriate or unnecessary.
4. If HUD determines that there is an imminent probability that the Grantee will continue to expend grant funds contrary to this agreement unless HUD takes immediate action, HUD may, concurrently with issuing a written notice of default, implement a remedial action appropriate to prevent such expenditure.
5. Corrective or remedial actions that HUD may order under this Agreement include, but shall, not be limited to, the following:
 - a. Requiring the Grantee to prepare and follow a HUD approved schedule of actions and/or a work plan for properly completing the activities approved under the grant;
 - b. Canceling or revising the affected activities, revising the grant budget as necessary, and substituting other eligible activities;
 - c. Discontinuing drawdowns under LOCCS and prohibiting payment or reimbursement for any grant activities or, if more appropriate, for only those activities affected by the default; and
 - d. Requiring reimbursement by the Grantee to HUD for grant amounts used improperly.

6. Grantee Failure to Remedy Default. Where HUD determines that remedial actions required by HUD to be taken by the Grantee have not been undertaken as instructed, or will not be effective in correcting the default and to prevent further default, HUD may take the following additional corrective and remedial actions under this Agreement:
- a. Change the method of payment from LOCCS to some other available method of payment, which involves HUD manual review and approval of every drawdown request and permits draws only on a reimbursement basis.
 - b. Suspend the Grantee's authority to make drawdowns for affected activities for no more than ninety (90) days pending action to cure the default and prevent further default by the Grantee, or pending final remedial action by HUD.
 - c. Reduce the grant in the amount affected by the default;
 - d. Terminate the grant and initiate closeout procedures;
 - e. Take action against the Grantee under 24 CFR Part 24 with respect to future HUD or Federal grant awards;
 - f. Require reimbursement by the Grantee to HUD for grant amounts used improperly; and
 - g. Take any other remedial action legally available.

**SUBARTICLE H: GRANT MODIFICATION OR TERMINATION
BY AGREEMENT BETWEEN HUD AND GRANTEE**

- 1. HUD and the Grantee may mutually agree to modify this agreement as to time, cost, or activity using form HUD-1044 in whole or in part, at any time.
- 2. HUD or the Grantee, in accordance with OMB Circular A-110 may mutually agree to terminate the agreement for convenience, after 30 days advance written notice, if it is in the best interest of any of the parties. The termination notice must specify the reason for the termination action and the proposed effective date.

SUB-ARTICLE I- DISPUTES

During the performance of this grant, disagreements may arise between the Grantee and HUD on various issues. If a dispute concerning a question of fact arises, the grant Officer, after hearing from both parties, HUD and the Grantee, shall prepare a final decision, taking into account all facts and documentation presented. The decision shall be mailed to the Grantee. The Grantee may appeal any decision by letter to the local HUD Field Office Director, Public Housing Division/Office of Native American Programs of the HUD office administering this Grant Agreement. The decision of the Director shall be final.

ARTICLE II: GRANTEE PERFORMANCE

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

ARTICLE III: GRANTEE MISREPRESENTATION

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

WITNESS WHEREOF, the parties have executed this Grant Agreement by their duly authorized signatories as of the date signed by both parties.

Tina Vaughn
Executive Director.
Hickory Housing Authority

Date

Michael A. Williams
Director
Office of Public Housing

Date