

A large, faded circular graphic is positioned on the left side of the slide. It contains a stylized American flag with stars in the upper left and stripes in the lower right, overlaid with a white silhouette of a house.

New Grantee Orientation: Recovery Act Edition

**Office of Healthy Homes and
Lead Hazard Control**

www.hud.gov/offices/lead/arra.cfm

Welcome to the family

▶ OHHLHC Leadership and Structure

- Jon Gant, Director
- Matt Ammon, Deputy Director
- Five Divisions
 - Programs – Ms. Emily Williams
 - Grant Services – Ms. Curtissa Coleman
 - Regional Management and Technical Services – Mr. Matt Ammon
 - Lead Programs Enforcement – Ms. Zuleika Morales-Romero
 - Policy and Standards – Dr. Peter Ashley



Who's who?

▶ **Healthy Homes Field Representatives (HHR)**

- On-site program assistance
- Cross-program expertise
- Regional Focus
- First point of contact for program questions

▶ **Government Technical Representatives (GTR)**

- Regulatory assistance/compliance
- Technical oversight (performance assessments, reports, LOCCS, etc.)
- Partners with HHR to provide regional focus and execution

▶ **Grant Officers**

- Overall administrative responsibility (Grant terms/conditions, grant agreements, etc.)



Governing Requirements

- ▶ Section 1512 of the American Recovery and Reinvestment Act of 2009
- ▶ FY 2008 NOFA
- ▶ HUD Guidelines
- ▶ Lead Safe Housing Rule
- ▶ Lead Disclosure Rule
- ▶ Terms and Conditions of your Grant Agreement
- ▶ Other federal regulations...



Requirements for Non-Profits

- ▶ 24 CFR part 84, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations, www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1
- ▶ OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations
- ▶ OMB Circular A-87, Cost Principles; Relocated to 2 CFR, Part 225; www.whitehouse.gov/omb/circulars/a087/a87_2004.html



Requirements for Commercial/For-Profits

- ▶ 24 CFR part 84, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations (HUD applies part 84 to for-profit recipients)

www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1

- ▶ OMB Circular A-133, Audit Requirements
- ▶ OMB Circular A-122, Cost Principles for Non-profit Organizations, Relocated to 2 CFR, Part 230;
www.whitehouse.gov/omb/fedreg/2005/083105_a122.pdf
- ▶ Federal Acquisition Regulations at 48 CFR part 31.2;
www.access.gpo.gov/cgi-bin/cfrassemble.cgi?title=200748



Requirements for States/Local/Indian Tribal Governments

- ▶ 24 CFR part 85, Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Federally Recognized Indian Tribal Governments;
www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1
- ▶ OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations;
- ▶ OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments; Relocated to 2 CFR, Part 225;
www.whitehouse.gov/omb/circulars/a087/a87_2004.html



Recovery Act Requirements: Financial

- ▶ Draw down 55%* of federal award by the end of the 24th month
- ▶ Draw down 100% of federal award by the end of the period of performance
 - Last 30 days is Close Out period; obligations must be liquidated
- ▶ Strong emphasis on job creation and retention – must still comply with NOFA



Recovery Act Requirements: Reporting

▶ Annual Reports

- Economic Opportunities for Low- and Very Low-Income Persons (Section 3; Form HUD-60002) – by July 10, 2009
- Race and Ethnic Data Reporting (Form HUD-27061) – by January 10th



Recovery Act Requirements: Reporting

▶ Quarterly Reports

○ QPRS and RAMPS

- The first report is due on ***July 10, 2009***; then,
- ***10 days*** after the end of each calendar quarter - July 10th, October 10th, January 10th, and April 10th
- Weekend or holidays: the next Federal workday for that period only

○ Logic Model

- SF-PPR-Recovery (Performance Progress Report)
- SF-425 (replaces SF-269)



Grant Timeline Overview

- ▶ **By July 10, 2009** – Sub-grantees must obtain a DUNS number (or update its existing DUNS record), and register with the Central Contractor Registration (CCR; www.ccr.gov)
- ▶ **Within 60 days**
 - Work Plan (with revised budget)
 - Policies and Procedures
 - Line of Credit Control System (LOCCS) set-up
 - Hire all Key Personnel
- ▶ **Within 120 days** – Environmental Review/Release of Funds
- ▶ **By 24 Months** – 55%* of grant funds must be expended – above the Recovery Act minimum to help prevent loss of grants!



Line of Credit Control System

▶ **Setting up**

- Complete HUD-27054 and return to address on form
- Complete Direct Deposit form, SF 1199A, return to OHHLHC

▶ **Making a draw down**

- Complete HUD-27053 for each request
- Complete Part 3 Form
- Fax /email HUD-27053 and Part 3 Form to GTR for payment
 - 202.755.1000
- Mail originals to GTR
- Make requests prior to end of quarter for credit in the quarter

▶ **www.hud/lead/grants/loccs_overview.cfm**



Environmental Review

▶ **Who must do it?**

- Lead-based Paint Hazard Control
- Lead Hazard Demonstration
- Operation LEAP
- Healthy Homes Demonstration

▶ **What to know?**

- 24 CFR Part 58 requires
 - Program Environmental Review – Tier I
 - Request for Release of Funds & Certification
 - Site Specific Environmental Review – Tier II
- ▶ NOFA p. 24-25



Environmental Review

▶ 24 CFR Part 58

- applies to most OHHLHC grant awardees, even non-governmental organizations, including for-profits and non-profit entities, institutions of higher learning, or eligible hospital organizations
-
- ▶ Process is slightly different for different entities
 - Governmental
 - Non-governmental



Environmental Review – Govs

▶ Governmental Entities

- Required to assume HUD's Environmental Review responsibility (24 CFR Part 58)
- Must complete a “Tier 1” Environmental Review and receive a “Release of Environmental Conditions” (sometimes referred to as a “Release of Funds”) prior to expending any HUD or Non-HUD funds on projects or activities that have a physical impact on a property or an impact on the human environment



Environmental Review – Govs

- ▶ After Release of Environmental Conditions, you are responsible for performing the “Tier 2” or Site-Specific Environmental Review on each housing unit in which you perform a physical intervention and maintaining the relevant documents in your Environmental Review Record.



Environmental Review – Non-Govs

- ▶ Non-Governmental Entities
 - Required to have someone else assume HUD's Environmental Review responsibility (24 CFR Part 58), called a Responsible Entity (RE)
 - Must identify and partner with one or more units of general local government with legal land use authority in the program target area(s).



Environmental Review – Non-Govs

- The units of general local government most capable of performing the review function typically already have a relationship to other HUD programs, including but not limited to CDBG, HOME, Lead Hazard Control, Lead Hazard Reduction Demo programs
- Follow all the requirements previously mentioned



Environmental Review...Don't Panic!

- ▶ We're here to help...
 - Mr. Ed Thomas, Environmental Clearance Officer
 - Guidance and instructions provided
 - HHRs and GTRs
- ▶ One last thing...an Exemption
 - You may conduct lead inspections and risk assessments prior to receiving Environmental Review Clearance under the exemption allowed in 24 CFR 58.34(a)(5), which states that “inspections and testing of properties for hazards or defects” are exempt activities.



The Institutional Review Board (IRB)

▶ To Whom Does it Apply?

- All programs conducting Research **involving human subjects** with HUD support are bound by the Common Rule, mostly Healthy Homes Demonstration grantees
- Federal Policy for the Protection of Human Subjects in Research 45 CFR 46
- Adopted by HUD in 24 CFR 60.101
- NOFA p. 29



The Institutional Review Board (IRB)

- ▶ What is “research”?
 - Research means a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to **generalizable knowledge**
 - Implies the use of scientific principles and methods, hypothesis testing and/or statistical analysis
 - **Most Healthy Homes demonstration projects include research activities**



The Institutional Review Board (IRB)

- ▶ **You need IRB approval if all the following applies...**
 - Activity involves research
 - Research supported by HUD
 - Research involves human subjects
 - Investigator intervenes in subjects' environment, interacts with subject, or gathers private information
 - If in doubt, cover yourself and go to the Board



The Institutional Review Board (IRB)

- ▶ For additional information on what constitutes human subjects' research or how to obtain an institutional assurance, see the Department of Health and Human Services, Office of Human Research Protection (OHRP) website at: <http://www.hhs.gov/ohrp/>



Implementing your Project

- ▶ **Policies and Procedures – how?**
- ▶ **Work Plan – what?**
 - Your work plan contains the policies and procedures
- ▶ **Grants vs. Cooperative Agreements**



Grants – LHC/LHRD/LEAP

- ▶ HUD provides oversight and technical assistance
- ▶ You design and implement project without substantial HUD involvement
 - OHHLHC ensures you comply with the grant program requirements
- ▶ It's your project; HUD assists you



Grants – LHC/LHRD/LEAP

- ▶ LHC/LEAP: expend at least **65 percent** of grant funds on direct lead hazard remediations
- ▶ LHRD: expend at least **80 percent** of grant funds on direct lead hazard remediations
- ▶ All: **10 percent** maximum for administrative costs
 - OMB Circulars (A-21-Cost Principles for Educational Institutions, A-87-Cost Principles for State, Local and Indian Tribal Governments, or A-122-Cost Principles for Nonprofit Organizations)
 - www.whitehouse.gov/omb/circulars/index.html.



Cooperative Agreements – HHD/HHTS

- ▶ Anticipated substantial involvement by HUD staff for cooperative agreements may include, but will not be limited to:
 - Review and suggestion of amendments to the project design, including: project objectives; project implementation plan; data collection methods; and project evaluation;
 - Review and provision of technical recommendations in response to quarterly progress reports (e.g., amendments to project design based on preliminary results); and
 - Review and provision of technical recommendations on the final report, journal articles, or other project-related reports or publications.



Cooperative Agreements – HHD/HHTS

- ▶ Must expend at least **65 percent** of grant funds on direct remediations and related activities in the home (cf. NOFA for examples)
 - lead hazard evaluation and/or control activities may not be a principal focus of the cooperative agreement
- ▶ **10 percent** maximum for administrative costs
 - OMB Circulars (A-21-Cost Principles for Educational Institutions, A-87-Cost Principles for State, Local and Indian Tribal Governments, or A-122-Cost Principles for Nonprofit Organizations)
 - www.whitehouse.gov/omb/circulars/index.html.



Policies and Procedures

▶ It's the HOW of your grant

- procurements (contracting);
- unit eligibility, unit selection and prioritization;
- all phases of lead hazard evaluation and control, including risk assessments and inspections,
- Quality Assurance Plan (QAP) (HHD),
- development of specifications for contractor bids; and
- pre-hazard control blood lead testing,
- financing,
- temporary relocation, and
- clearance examinations
 - grantees, subcontractors, sub-grantees, sub-recipients, and their contractors must adhere to these policies and procedures.



Work Plan

- ▶ **It's the WHAT of your grant**
 - Consists of designated work activities including tasks and subtasks as required by the program office;
 - a timeline for completing the work;
 - performance measures;
 - outputs and outcomes identified to achieve the performance measures/goals;
 - budget; and
 - resources designated to complete the work
- ▶ Basis formed from Factor 3 Response of your application



Work Plan: financial

- ▶ What to include?
 - Funding mechanism for recipients—loans or grants, owner contributions, sweat equity, etc.
 - Sources of funding—match and federal, leveraged resources
 - Monitoring and reporting of funding
 - Quarterly reporting through SF-425, RAMPS, etc.
 - Process for making requests from LOCCS
 - Benchmarks



Match funding

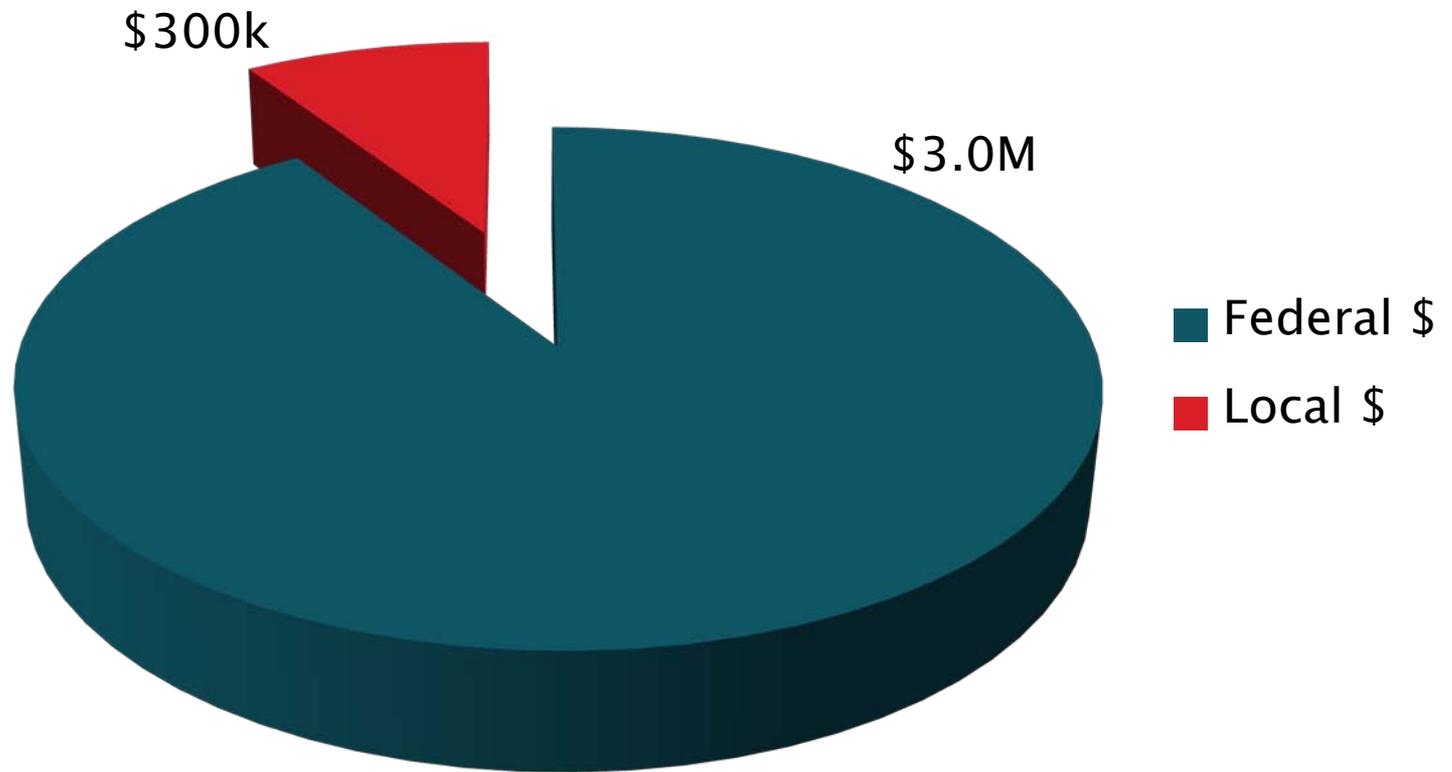
▶ What is match?

- Simply put...cost-sharing
- Using local/non-federal money for the same purpose as the federal funds
- Only for allowable costs (but all costs allowable may be matched)
- Examples:
 - Discounts: Bank loan percentage break (difference)
 - Property-owner contributions: sweat equity, cash (fair-market value)
 - Donations
 - 3rd-Party In-kind: salaries, space, materials/goods, etc.
- Must report Match on the new SF-425



Match funding

Your Grant's \$3.3M Budget



Leveraged funding

- ▶ What are leveraged funds?
 - Simply put...project-enhancing funding
 - Using local/non-federal and other federal money for a complimentary purpose to the program's grant funds
 - LEAP Only: sources are only private sector; no public funding used; **treated just like match!**
 - Adds value to the grant funds: “specifically dedicated to and integrated into supporting the programs” (NOFA)
 - Examples:
 - HOME/CDBG rehab funds (rehab and lead together)
 - Spreading Uncle Sam's money farther



Leveraged funding

Match and Grant Funding

Leveraged Funding



Match and Leverage: Record-keeping

- ▶ Must be verifiable from the records of grantees and sub-grantee or cost-type contractors
- ▶ Must show how the value placed on third party in-kind contributions was derived
- ▶ To the extent feasible, volunteer services will be supported by the same methods that the organization uses to support the allocability of regular personnel costs. (24 CFR 85)



Davis-Bacon

- ▶ Ordinarily, OHHLHC is exempt from D-B
- ▶ Comes into play when using funds covered (CDBG and HOME) along with OHHLHC funds
 - CDBG: “apply to the rehabilitation of residential property only if such property contains not less than 8 units....” (Making Davis-Bacon Work)
 - HOME: “any contract for the construction of affordable housing with 12 or more units assisted with funds” (Making Davis-Bacon Work)
- ▶ Recovery Act makes it apply across the board...for now



Lead Certification Requirements

- ▶ For lead-based paint inspection, risk assessment, lead dust sampling, abatement, or interim controls:
 - Firms and persons shall be qualified for the activities according to 24 CFR Part 35, subpart R (possessing, as applicable, certification valid for the State in which the activity is conducted as abatement contractors, risk assessors, inspectors, abatement workers, or sampling technicians, or, for interim lead hazard control work, training in a HUD-approved course in lead-safe work practices); and



Lead Certification Requirements

- ▶ For renovation, repair, or painting, renovation firms and renovators performing work on or after April 22, 2010 (or other date specified by the U.S. Environmental Protection Agency or the State in which the activity is conducted)
 - be certified for the activities according to 40 CFR Part 745 (possessing certification valid for the State in which the activity is conducted), and that
 - uncertified workers on such activities shall be trained in a HUD-approved course in lead-safe work practices.



Lead Certification Requirements

- ▶ Laboratories used for analysis of samples for lead in paint, soil or dust shall be recognized by the U.S. Environmental Protection Agency for the analysis of those samples under its National Lead Laboratory Accreditation Program.

