

## **FREQUENTLY ASKED QUESTIONS ABOUT NI GRANTS**

### **1. WHAT DOCUMENTS ARE REQUIRED TO ACCESS GRANT FUNDS?**

**ANSWER:** Once you have submitted your application and received approval of the grant from HUD, you will receive an approval package consisting of grant agreements, assistance/award forms, a direct deposit sign up form and a LOCCS Access Authorization form. The grant agreements and assistance award forms must be signed, dated and returned to the Congressional Grants Division, along with the direct deposit sign-up form and a cancelled or voided check that indicates your bank's ABA number. The LOCCS Access Authorization form must be completed and **returned to the Washington, DC address at the top of the form.** More detailed LOCCS instructions are provided the links on this web site for tips in accessing LOCCS.

### **2. WHAT ARE THE ENVIRONMENTAL REVIEW REQUIREMENTS FOR THIS GRANT AND WHEN SHOULD AN APPLICANT BEGIN THE ENVIRONMENTAL REVIEW PROCESS?**

**ANSWER:** An environmental review of the project associated with the grant must be completed before grant funds are committed or disbursed to the project. HUD cannot make funds available for activities that were undertaken prior to the environmental review and which would have required a review. Applicants are advised to begin the environmental review process as soon as possible. Ideally, the environmental review should occur while the application is under review by HUD. Your local HUD field office can provide more information about the required environmental review process. The HUD environmental officer for your grant can be also identified on the Division's web site at:

[www.hud.gov/offices/cpd/economicdevelopment/programs/congressional](http://www.hud.gov/offices/cpd/economicdevelopment/programs/congressional).

### **3. WHAT IS THE PROCEDURE FOR A GRANTEE TO MAKE CHANGES TO THE APPROVED PROJECT, BUDGET AND/OR TIME LINE?**

**ANSWER:** The applicant must submit a letter requesting revisions to the project, budget, and/or timelines along with a justification for the proposed changes. Amendments to previously approved projects may also require a revision of the environmental review for the amended project.

### **4. IF A GRANTEE OR PROJECT IS AWARDED MORE THAN ONE NI GRANT, CAN THEY BE COMBINED?**

**ANSWER:** No. Each NI grant is a separate project and is processed separately.

**5. WHAT IS THE START OR “EFFECTIVE” DATE OF THE GRANT?**

**ANSWER:** The effective date for the NI grant is the date that HUD signs the Grant Agreement and the HUD 1044 Assistance Award/Amendment form.

**6. WHAT IS THE ENDING DATE?**

**ANSWER:** Most NI grants funds must be obligated, or under contract, within the first three fiscal years of the appropriation (e.g., FY 2009 grants must be obligated or under contract by the end of FY 2011). Additionally, most NI grants funds must be expended within five years of the deadline for obligation (e.g., FY 2009 grant funds remain available for expenditure until the end of FY 2016). Any unobligated or unexpended grant funds that remain at the end of the deadlines are returned to the Department of Treasury. Both the obligation and expenditure deadlines are established by law and cannot be waived or extended by the Department.

**7. ARE THERE REPORTING REQUIREMENTS FOR THIS GRANT?**

**ANSWER:** Yes. Progress Reports are due on a semi-annual basis. They should be sent to the attention of the Grant Officer listed in Block 9 of the HUD Form 1044 “Assistance Award Amendment” and submitted to the following address:

U.S. Department of Housing and Urban Development  
Community Planning and Development  
Congressional Grants Division  
451 7<sup>th</sup> Street, S.W., Room 7146  
Washington, D.C. 20410

The report must consist of: 1) a narrative on the project’s progress for the reporting time period; 2) a completed SF-425 if funds have been expended during the reporting period and; 3) copies of HUD form 20753, if you have drawn down funds from LOCCS during the reporting time period.

**8. IS A PROGRESS REPORT REQUIRED IF NO ACTIVITY HAS TAKEN PLACE ON THE GRANT?**

**ANSWER:** Yes. The grantee should inform HUD in a narrative that no activity has taken place on the proposed activities and that no grant funds have been drawn down.

**9. HOW DO I CLOSE OUT AN EDI-SP GRANT?**

**ANSWER:** After all NI grant funds have been drawn down, the grantee should submit the SF-425, “Federal Financial Report” to their Grant Officer. In Block 12 of the form indicate that you wish “to Initiative Project Close-Out”. The Division will then forward the necessary forms to complete the closeout.

**10. WHAT DOCUMENTS ARE REQUIRED IN ORDER FOR A PAYMENT OF FUNDS TO BE APPROVED BY THE DEPARTMENT?**

**ANSWER:** In order to approve a request for payment of funds, your Grant Officer must have evidence that proper environmental review for the project has been completed. Any overdue semi-annual reports must also be submitted. You will also be required to submit a LOCCS/VRS Request Voucher for Grant Payment form (HUD-27053). When you make the first and last draw of funds, and when you request more than 70% of the total grant amount, your Grant Officer will require you to submit source documentation in support of the payment request (e.g., bills, invoices, receipts, etc.) along with a written statement detailing by budget line item what the request will be used to pay. More detailed LOCCS instructions are provided the links on this web site for tips in accessing LOCCS.

**11. WHOSE NAME AND SOCIAL SECURITY NUMBER SHOULD BE ENTERED ON THE LOCCS VOICE RESPONSE SYSTEM ACCESS AUTHORIZATION FORM (HUD FORM-27054)?**

**ANSWER:** The individual designated by your organization to draw down funds on behalf of the organization and the person who approves that designated user should be included on the form.

**12. IF WE ARE ALREADY SETUP IN THE LOCCS SYSTEM WITH OTHER HUD PROGRAMS DO WE STILL HAVE TO COMPLETE THE LOCCS ACCESS AND OTHER FINANCIAL FORMS?**

**ANSWER:** Yes. The Direct Deposit Sign-Up form (SF 1199) and the HUD form 20754 “LOCCS Voice Response System Access Authorization” must be filled out again in order to gain access to the NI grant funds.

However, if you were awarded an NI grant in a prior year and you are currently set up in LOCCS, no additional Direct Deposit, or LOCCS Access forms are necessary.

**13. HOW CAN THE GRANTEE OBTAIN THE 10-DIGIT VOICE RESPONSE SYSTEM (VRS) GRANT NUMBER?**

**ANSWER:** In addition to draw down capability, LOCCS/VRS allows grantees to query the system for numerous information by specifying a Tax Identification Number. The last VRS number for the selected program area is given by electronic voice. This is useful if the caller has not received the LOCCS/VRS generated letter with the assigned VRS number, but wishes to draw down grant funds. More detailed LOCCS instructions are provided the links on this web site for tips in accessing LOCCS.

**14. WHAT IS THE 3-DIGIT VOUCHER PREFIX?**

**ANSWER:** The 3-digit-voucher prefix is 047.

**15. WHAT IS THE BUDGET LINE ITEM (BLI) NUMBER?**

**ANSWER:** There is no Budget Line Item number for NI grants.

**16. WHAT IS THE “CFDA” NUMBER?**

**ANSWER:** The CFDA (Catalog of Federal Domestic Assistance) number for Neighborhood Initiative grants is 14.251.