

## CHAPTER 1. INTRODUCTION

- 1-1. **PURPOSE.** To establish Departmental policy and procedures for the award and administration of discretionary grants and cooperative agreements. Policy and procedures for the award and administration of procurement contracts are contained in HUD Handbook 2210.3, "Procurement Policies and Procedures."
- 1-2. **SCOPE.** This Handbook only applies to the following situations:
- a. Grants and cooperative agreements involving the transfer of money from HUD to a non-Federal entity; and,
  - b. Grants and cooperative agreements which are discretionary in nature, i.e., HUD by statute is authorized to select the recipient and project to be supported and to determine the amount to be awarded. Funding is provided for fixed or known periods for specific projects or the delivery of specific services. In the Catalog of Federal Domestic Assistance, discretionary grants and cooperative agreements are referred to as "project" awards.
- 1-3. **ORGANIZATION.** This Handbook is divided into five chapters as follows:
- Chapter 1, "Introduction" which sets forth the definitions of terms and responsibilities of officials.
- Chapter 2, "Policy" which establishes the basic Departmental policies concerning discretionary grants and cooperative agreements.
- Chapter 3, "Notices of Funding Availability (NOFAs)" which describes the procedures that govern the processing of NOFAs.
- Chapter 4, "Award" which sets forth the process from identification of a proposed effort through award of a grant or cooperative agreement by a Grant Officer.
- Chapter 5, "Administration" which identifies requirements for administration and closeout of grants and cooperative agreements by Grant Officers.

- 1-4. APPLICABILITY. Chapters 1, 2, and 3 apply to all organizational elements involved in the award and administration of discretionary grants and cooperative agreements. Chapters 4 and 5 apply only to discretionary grants and cooperative agreements awarded and administered by the Office of Procurement and Contracts in Headquarters or Regional Contracting Officers in the Field.
- 1-5. AUTHORITY. The Secretary has designated the Assistant Secretary for Administration as the Department's Senior Procurement Executive in accordance with Executive Order 12352 "Federal Procurement Reforms". The Senior Procurement Executive also has been assigned lead responsibility for developing policies to assure greater uniformity and consistency in the Department's award and administration of discretionary grants and cooperative agreements.
- 1-6. DEFINITIONS.
- a. Applicant. An individual, organization, agency, unit of Government, or entity which submits an application for a HUD discretionary grant or cooperative agreement.
  - b. Application. A written request for a HUD discretionary grant or cooperative agreement, submitted in response to an application kit.
  - c. Application Kit. A solicitation issued by HUD which requests the submission of applications and which describes program objectives, recipient and project eligibility requirements, evaluation criteria, award terms and conditions, and information about the funding availability. Processing Notices which are used by some Program Offices fulfill the purpose of an application kit.
  - d. Assistance. The transfer of money, property, services, or anything of value to a recipient to accomplish a public purpose of support or stimulation authorized by Federal statute.
    - (1) A grant is an assistance instrument used by HUD when no substantial involvement is anticipated between HUD and the recipient during performance of the contemplated activity.

- (2) A cooperative agreement is an assistance instrument used by HUD when substantial involvement is anticipated between HUD and the recipient during performance of the contemplated activity.

This Handbook only applies to situations where the transfer is monetary.

- e. Award. The written document, signed by a HUD Grant Officer after an application is approved, which contains the terms and conditions for providing assistance to the recipient.
- f. FAR. The Federal Acquisition Regulation published as Chapter 1 of Title 48 of the Code of Federal Regulations.
- g. Grant Officer (GO). The HUD official delegated the authority by the Head of the Awarding Activity (HAA) to award and administer grants and cooperative agreements. For certain programs, some Grant Officer responsibilities may be retained by the HAA.
- h. Head of Awarding Activity (HAA). A HUD official, at the Assistant Secretary level or equivalent, with authority for policy, award, and administration of discretionary grants and cooperative agreements within one or more HUD organizational elements.
- i. HRA. HUD Reform Act of 1989.
- j. HUD. The United States Department of Housing and Urban Development.
- k. HUDAR. The HUD Acquisition Regulation published as Chapter 24 of Title 48 of the Code of Federal Regulations.
- l. Notice of Funding Availability (NOFA). A notice, published in the Federal Register, announcing the availability of HUD assistance.
- m. OMB. The Office of Management and Budget.
- n. Organizational Elements. A component of HUD which holds program funds, i.e., Fair Housing and Equal Opportunity, Community Planning and Development, Policy Development and Research, Housing, and Public and Indian Housing.

- o. **Recipient.** The individual, organization, agency, unit of Government, or entity that receives an award from HUD and is financially accountable for the use of any HUD funds provided for performance of the project, and is legally responsible for carrying out the terms and conditions of the award.
- p. **Selection Official.** A HUD official appointed by the Head of the Awarding Activity (HAA) with authority to select applications for award. In many cases, the HAA serves as the selection official.
- q. **Selection Process.** The steps in the award process beginning with a request to the Office of General Counsel to prepare a NOFA and concluding with an announcement of the award recipients.
- r. **Senior Procurement Executive.** The Assistant Secretary for Administration.
- s. **Uniform Administrative Requirements.** Those matters common to grants and cooperative agreements in general, such as financial management standards, reporting requirements, procurement management, and retention of records. HUD's implementation of these requirements for State, local, and Indian tribal governments is found at 24 CFR Part 85, "Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments." Such requirements for non-profit and other organizations are contained in OMB Circular A-110, "Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations."
- t. **Unsolicited Proposal.** A request for HUD funding which is not submitted in response to an application kit.

1-7. **RESPONSIBILITIES**

- a. **Senior Procurement Executive.** The Senior Procurement Executive is responsible for:
  - (1) Assuring the effective implementation of all uniform administrative requirements related to assistance;

- (2) Developing Departmental guidance related to the award and administration of discretionary grants and cooperative agreements;
  - (3) Encouraging HUD program offices to use the Office of Procurement and Contracts at Headquarters and the Regional Contracting Officers in the Field for technical assistance in the award and administration of discretionary grant and cooperative agreement programs; and,
  - (4) Authorizing deviations from the requirements of this Handbook.
- b. Head of the Awarding Activity (HAA). The Head of the Awarding Activity is the Assistant Secretary or equivalent who is sponsoring the discretionary grant or cooperative agreement. He/she is responsible for:
- (1) Issuing program policy to implement Chapters 2 and 3 of this Handbook for discretionary grants and cooperative agreements awarded and administered by the HAA's organization;
  - (2) Appointing Grant Officers in the HAA's organization or delegating Grant Officer authority;
  - (3) Approving written determinations for restricted eligibility in accordance with paragraph 2-6b or 4-3c; and,
  - (4) Appointing or serving as selection officials.
- c. Grant Officers. Grant officers are the officials who are responsible for award and administration of discretionary grants and cooperative agreements.

