

SECTION A: PROGRAM ADMINISTRATION

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PROGRAM ADMINISTRATION

INTRODUCTION

Presented in this section are the administrative requirements of the Louisiana Community Development Block Grant (LCDBG) Program. It describes each task that requires completion from the grant award date to project closeout. Careful attention to these administrative tasks will assist grantees in avoiding or minimizing many of the problems experienced during implementation and audit. The text describes the steps required to complete each task and references required forms and examples contained in the exhibits.

CITIZEN PARTICIPATION

Each applicant/grantee shall provide citizens with adequate opportunity to participate in the planning, implementation, and assessment of the LCDBG program. The applicant/grantee shall provide adequate information to citizens, hold a public hearing at the initial stage of the planning process to obtain views and proposals of citizens, and provide opportunity to comment on the applicant's/grantee's community development performance.

[24 CFR 91.115\(e\)](#)

[24 CFR 570.486\(a\)](#)

CITIZEN PARTICIPATION REQUIREMENTS

All applicants and grantees must have developed and adopted a Citizen Participation Plan prior to application preparation in order to comply with Section 104[a] of the Housing and Community Development Act of 1974, as amended. Grantees must ensure that they follow their Citizen Participation Plan for the duration of their CDBG funded project.

AMENDMENTS

The grantee must involve citizens in program amendments to the Community Development Block Grant program. This shall be done by means of a public hearing prior to the submittal of the request for a program amendment to the State. The hearing must be advertised a minimum of five (5) days prior to the hearing including all the same information as required for the 2nd hearing notice and include all proposed changes and reason(s) for those changes. Minutes of the hearing and a roster of those in attendance must be included with the program amendment request. Exception: A public hearing is not required if the activity of acquisition is eliminated from the program. See "Program Administration: Financial Management – Preparing Budget Reconciliations, Budget Revisions, and Program Changes and Amendments."

PERFORMANCE HEARINGS

Prior to closeout of the Community Development Block Grant Program, the recipient must conduct a public hearing to obtain citizen views and to respond to questions relative to the recipient's performance. This hearing must be conducted after the construction has been completed. It may be conducted during or after the lien period. A copy of the public notice, proof of publication, attendance sheet, and minutes of the hearing must be submitted with the closeout documents.

[24 CFR 91.115\(e\)](#)

[24 CFR 570.486\(a\)](#)

Documentation must be kept at the local level to support compliance with all previously mentioned requirements.

SCHEDULING AND PROVIDING NOTICES OF PUBLIC HEARINGS

The Grantee will be required to advertise and conduct a second public hearing prior to submitting a Certificate of Closeout to review the results of the project with citizens and to take comments about the local governments' performance. This hearing must be conducted after the construction has been completed. It may be conducted during or after the lien period. A notice of the second public hearing must be published in the newspaper of general circulation that is named in the Citizen Participation Plan a minimum of five (5) calendar days in advance of the meeting. Grantees must make every effort to inform those who might not be reached through the newspaper.

The following information must be made available at the second public hearing:

- Project progress/status of completion and expected timeframe to completion.
- Results to date and projected totals, such as number of beneficiaries assisted, housing units completed, portion of project in service, or persons served.
- Funds expended, balance of funds available, and budget expectations to completion.

A copy of the public notice and minutes of the hearing must be submitted with the close-out documents.

Documentation must be kept at the local level to support compliance with the aforementioned requirements.

COMPLAINT PROCEDURES

All written citizen complaints that identify deficiencies relative to the applicant's/recipient's Community Development Block Grant program merit full and prompt consideration and must be handled according to the grantee's written complaints procedure. Good faith attempts must be made to satisfactorily resolve the complaint at the local level. Complaints must be filed with the chief elected official or their designee, who will investigate and review the complaint. A written response from the chief elected official to the complainant must be made within 15 working days, where practicable. A copy must be forwarded to the Office of Community Development Local Government Assistance (OCD-LGA). The complainant must be made aware that if they are not satisfied with the response, a written complaint may be filed with the OCD-LGA.

All citizen complaints relative to Fair Housing/Equal Opportunity violations involving discrimination must be forwarded to the Louisiana Department of Justice (DOJ), Public Protection Division, Post Office Box 94005, Baton Rouge, Louisiana 70804-9095, for disposition. The complainant must be notified in writing within 10 days that, due to the nature of the complaint, it has been forwarded to Louisiana Department of Justice. Citizens must be made aware that they can forward a complaint alleging discrimination directly to the Department of Justice via online form (<https://www.ag.state.la.us/FairHousing/Complaint>) or they may contact the Department of Justice by telephone at 1-877-297-0995, 225-326-6079, 711 or 800-846-5277 for TTY users or by email at HUD@ag.state.la.us. The office's physical address is 1885 N. Third St., Baton Rouge, Louisiana 70802.

Persons wishing to object to approval of an application by the State may make such objection known to the OCD-LGA. The State will consider objections made only on the following grounds:

- The applicant's description of needs and objectives is plainly inconsistent with available facts and data.
- The activities to be undertaken are plainly inappropriate to meeting the needs and objectives identified by the applicant.

- The application does not comply with the requirements set forth in the Method of Distribution or other applicable laws.

Such objections should include both an identification of the requirements not met and, in the case of objections relative to the use of data, must include the data upon which the objection is based.

THE PERFORMANCE SCHEDULE

A project performance schedule, developed as part of the application, shows each activity's major milestone and estimated expenditures. The LCDBG contract references the performance schedule and OCD-LGA uses it to monitor the program's progress. Grantees must adhere to this schedule. The quarters are indicated on the performance schedule and coincide with the four quarters in the State's fiscal year. The completed schedule should begin in the quarter that the Authorization to Incur Costs Letter ([Exhibit A-1](#)) was dated. This date must be entered in the space provided on this form. The form can be found on OCD-LGA's website under the Grant Management tab at <https://www.doa.la.gov/media/5lph2ell/lcdbg-performance-schedule.docx>.

If OCD-LGA approves a program amendment or if project implementation changes significantly, a revised schedule must be prepared and submitted to the OCD-LGA's Local Government Representative (LGR) assigned to the grant. A significant change is one that delays milestone accomplishments by more than one quarter (three months). Grantees should report changes so that OCD-LGA can remain aware of the program's progress and monitor performance against realistic goals. If the project is behind schedule, the OCD-LGA will request a revised schedule.

EXECUTING THE LCDBG CONTRACT

The grantee will receive an unsigned LCDBG contract that identifies activities funded, budgeted cost, general terms and conditions, and identification of any activities with conditional approval and conditions that must be met before the State will release funds for those activities. After carefully reviewing and signing the contract, return it to the OCD-LGA. When all contract conditions are met and the State executes the contract, a copy of the executed contract is sent to the grantee for its records. The contract is fully executed only after all signatures have been obtained.

The LCDBG contract will contain contract conditions that must be met prior to the release of grant funds.

REMOVING CONTRACT CONDITIONS/RELEASE OF FUNDS

Failure to meet the deadline for submitting the additional information required will result in a delay in removal of contract conditions and release of funds along with the application of penalties as outlined in this handbook. The State may grant an extension to this deadline where the reasons for not meeting the required timeframe were clearly beyond the control of the grantee. **If there are extenuating circumstances, the grantee must advise the OCD of such prior to the submission deadline date and request an extension of time.** All of the contract conditions listed below must be completed within five months of the date of the Authorization to Incur Costs letter ([Exhibit A-1](#)).

- Completion of an environmental review record – The Environmental Review Record (ERR) must be submitted to the OCD-LGA, reviewed, and the grantee be given authority by the OCD-LGA to publish appropriate notices and to request release of grant funds. **NOTE: Grantees must submit the RROF within 45 days of the "permission to publish letter" date or a \$250 per working day penalty will be deducted from the administrative line-item budget and disallowed.** If the grantee is not using LCDBG administrative funds, the penalty will be assessed against awarded construction funds and disallowed.

- Performance Schedule—Received and Reviewed by OCD-LGA.
- Violence Against Women Act (VAWA) Certification ([Exhibit A-27](#)) – Received and Reviewed by OCD-LGA
- Residential Anti-Displacement and Relocation Plan and Certification – Received and reviewed by OCD-LGA.
- Application revisions, if requested – Received and reviewed by OCD-LGA.
- Project Plans and Specifications, and Final Cost Estimate – Received by OCD-LGA.
- Certification from engineer that plans and specifications have been submitted to Louisiana Department of Health (LDH), if applicable – Received by OCD-LGA.
- Actions taken in accordance with approved rate study, if applicable – Received and reviewed by OCD-LGA.
- Firm commitments from other project funds, if applicable – Received by OCD-LGA.
- Any other documentation, if requested – Received and approved, if necessary, by OCD-LGA.
- A rate study must be completed on the utility system that is funded by this grant (applicable to all water and sewer improvements grants). OCD-LGA will assign a partner to work with the grantee to complete the rate study. If the rate study determines that actions should be taken regarding the utility rates, the grant recipient must take actions to implement the changes.

Prior to receiving an executed contract and a release of LCDBG funds, the OCD-LGA must receive a signed certification from the project engineer stating that the plans and specifications for the public facilities project have been completed and submitted to LDH for approval (if applicable). **A copy of those plans and specifications plus a final cost estimate must also be submitted to OCD-LGA for review. If, at the end of the five-month calendar period, the plans and specifications have not been submitted to both LDH (if applicable) and OCD-LGA, \$250 per working day penalty will be deducted from the construction line-item budget and disallowed.** The monies will be deducted from the amount of LCDBG funds allowed to pay an engineer for basic services. If the grantee is not using LCDBG funds to pay an engineer, the penalty will be assessed against the construction budget and disallowed. The State reserves the right to grant an extension where the reasons for not meeting the required time frame were clearly beyond the control of the engineer.

If the administrative conditions listed above are not cleared within the five-month period a \$250 per working day penalty will be deducted from the administrative line-item budget and disallowed. The monies shall be deducted from the amount of LCDBG administrative funds allowed to pay an administrative consultant. If the grantee has chosen to administer the grant using its own staff, the penalty will be assessed against the LCDBG administrative funds, and disallowed. If the grantee is not using LCDBG administrative funds, the penalty will be assessed against awarded construction funds and disallowed. If failure to clear contract conditions within the required timeframe is the fault of another party (e.g., the engineer), then the penalty will be assessed accordingly. The State reserves the right to grant an extension where the reasons for not meeting the required timeframe were clearly beyond the control of the grantee. If an extension is needed due to the Environmental Review Record process, part of this determination will be based on how quickly the grantee began the process after receiving the Authorization to Incur Costs ([Exhibit A-1](#)). **All grantees should begin the ERR process (including mailing letters to appropriate agencies requesting determinations) within six weeks of the Authorization to Incur Costs date.**

PLEASE NOTE: If the grantee fails to complete any required processes or procedures during the completion of the ERR and incorrectly publishes the Notice of Intent to Request Release of Funds or the Combined Notice prior to being given authority to do so as previously described, then the Notice of Intent to Request Release of Funds or the Combined Notice must be republished after the required process or procedure is complete. This may result in the grantee not meeting the required timeframe for clearance of all contract conditions. This situation will not warrant an extension to the deadline as discussed in the previous paragraph. More information can be found in the section Completing the Environmental Review Record below. If the grantee is not sure about which processes and procedures should be completed during the ERR process, please contact the OCD-LGA for assistance.

If, by the deadlines described previously, or if the grantee refuses to take needed action identified by the approved rate study, then the OCD-LGA will not give permission to the grantee to bid, and the project will be terminated. The State reserves the right to grant an extension where the reasons for not meeting the required timeframe were clearly beyond the control of the grantee.

At the completion of the environmental process, the grantee's chief elected official will sign the Request for Release of Funds and Certification (HUD 7015.15) form which can also be found on the HUD website. Item 1 on the form requires the OMB Catalog Number, 14.228. Item 2 requests the HUD/State Identification Number, which is B-23-DC-22-0001. At this time, the grantee should review the contract conditions set forth in the contract and determine that they are complete. Until an Authority to Use Grant Funds (HUD 7015.16) from the State is approved, funds cannot be obligated or expended except those items identified in the Authorization to Incur Costs letter ([Exhibit A-1](#)) from the State.

[HUD Form 7015.15](#)

[HUD Form 7015.16](#)

The State will review the Request for Release of Funds and Certification and send a letter informing the grantee whether grant conditions have been met and funds are being released or specifying additional steps to be taken. The grantee may obligate and expend construction funds and request project funds on the LCDBG account **only** after the letter removing contract conditions for the project and the executed contract with the State are received. It is possible that at the time funds are released, the review of the plans and specifications will not be complete. In that case, the OCD-LGA's letter releasing grant funds will state that the grantee is not authorized to advertise for bids for the project. When the review of the plans and specifications is complete, the grantee will be notified to advertise for bids.

FINANCIAL MANAGEMENT

This section presents an overview of the accounting procedures that must be followed to comply with state and federal requirements under the LCDBG program. All funds must be documented appropriately to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes.

[2 CFR 200.302](#)

ESTABLISHING THE LCDBG ACCOUNT

The following forms must be completed as per the instructions and returned to the OCD-LGA, unless otherwise designated, for the State to establish the Grantee's LCDBG account in the State's accounting system:

- Authorized Signature Form – One Authorized Signature Form ([Exhibit A-3](#)) with original signatures must be completed carefully with no erasures or corrections. Signatures must match the typed or printed names. The authorized official must apply a date to the form next to their signature. The form designates authorized

persons to sign the community's Requests for Payment. Detailed line-by-line instructions are included on the form. If persons authorized to sign Requests for Payment should change at any time during the project, a new Authorized Signature Form must be submitted to the State. (See section on “Bank Account Rules”, Signatures on Checks and section on “Signatures on Request for Payment Form.”)

- Vendor Information Form ([Exhibit A-4](#)).
- IRS W-9 Request for Taxpayer Identification Number and Certification ([Exhibit A-5](#)).
- Electronic Funds Transfer (EFT) Enrollment Form – **Contact the Office of Statewide Reporting and Accounting Policy (OSRAP)** at DOA-OSRAP-EFT@la.gov or 225-342-1097 for the EFT enrollment form. This form designates where the LCDBG funds will be deposited. The completed form should be sent directly to OSRAP. Documentation verifying the submission of the form must be provided to the OCD-LGA. These forms can be revised at any time during the project. When a revision is necessary, the Grantee must provide the State with a revised Vendor Information Form ([Exhibit A-4](#)) and contact OSRAP for a revised EFT Enrollment Form. It takes approximately 14 days to process a revision. The revision process must be completed prior to the next Request for Payment’s approval.

No funds can be drawn until the Grantee’s LCDBG account is established. Once payments begin, if LCDBG funds are being deposited into the wrong account, or if payment is received in the form of a paper check, notify the OCD-LGA immediately for instructions. Future funds will be withheld until the issue is resolved.

FINANCIAL RECORDKEEPING

Accounting Records and Financial Reporting

The CDBG financial management regulations require that the accounting records for all recipients of federal funds must:

1. Be sufficiently specific to ensure that funds received under this subpart are used in compliance with all applicable statutory and regulatory provisions and the terms and conditions of the award;
2. Ensure that funds received under this subpart are only spent for reasonable and necessary costs of operating programs under this subpart; and
3. Ensure that funds received under this subpart **are not used for general expenses** required to carry out other responsibilities of State and local governments.

[24 CFR 570.489\(d\)](#)

[2 CFR 200.302](#)

Therefore, the Grantee’s accounting records (to include the Grantee’s annual financial report) must identify adequately the source and application of funds for CDBG-funded activities. Grantee’s that are Units of General Local Governments can facilitate compliance with this requirement if it accounts for the CDBG program in a separate governmental accounting fund (**Capital Projects** or **Special Revenue Fund**). The appropriate classification of a governmental fund for a financial activity is principally determined by its funding source(s). The financial assistance provided by the LCDBG program is in the form of an intergovernmental grant with statutory and regulatory compliance requirements which place certain restrictions on the use of those funds. Grantees that are not UGLGs must maintain a financial reporting system that provides accurate, current, and complete disclosure of the financial results of each Federal award or program and complies with the requirements of 2 CFR 200.302.

In cases where the assistance is provided to fund the capital improvements of a Grantee's proprietary fund, the program has deemed the CDBG expenditures, not as outflows financed by the proprietary fund itself, but external to it. Therefore, using a separate governmental accounting fund for reporting purposes is justified.

[2 CFR 200.302](#)

[24 CFR 570.490](#)

If the Grantee reports the CDBG expenditures in its enterprise/proprietary fund it must include a supplemental schedule in the back of the audit report in order to meet the regulatory reporting requirements of information pertaining to grant awards including assets, liabilities, expenditures, and revenue.

Accounting should be conducted on the double-entry basis. Because this program operates on a cost reimbursement basis, expenditures and revenue can be measured before the receipt and disbursement of cash and, therefore, are subjected to accrual. Accounting for a particular governmental activity on a cash or an accrual basis is dictated by generally accepted accounting principles as it applies to that particular activity. The accounting for the LCDBG program should be on a modified accrual basis. *If acquisition of fixed assets (other than land) using LCDBG funds is needed, contact the OCD-LGA.*

Supporting Documents

Accounting records must be supported by such source documentation as cancelled checks, paid bills, invoices, purchase vouchers, payrolls, deposit slips, time and attendance records, contract and sub-grant award documents, etc..

[2 CFR 200.302](#)

- Never make payment without invoices and vouchers physically in hand.
- All vouchers/invoices should be on vendors' letterhead.

Books of Entry

Federal regulations require that the Grantee establish certain accounting records for documenting LCDBG-related transactions. These books of original and final entry are an integral part of the required system. The book of original entry is the General Journal. The book of final entry is the General Ledger. Each is briefly described below.

[2 CFR 200.302](#)

[2 CFR 200, Subpart E
\(Cost Principles\)](#)

- Chart of Accounts ([Exhibit A-6](#)) – This should be suitable for a Capital Projects Fund, a Special Revenue Fund, or a supplemental schedule.
- General Journal – This is a book of original entry that chronologically lists all fund transactions.
- General Ledger – This is a book of final entry that summarizes the status of each account in the LCDBG accounting system. The General Ledger may be maintained for the LCDBG program as for other municipal funds; however, the Chart of Accounts must be utilized. Supporting documentation should be maintained to summarize expenditures and revenues by the following categories:
 - Expenditure Accounts – These accounts should correspond to those activities identified in the grant application's Cost Summary. At a minimum, the Grantee should utilize the following Expenditure Accounts: Administration, Acquisition, Engineering, Construction, and if necessary, Planning and Clearance/Demolition. All administrative costs must be assigned to the administrative account and not to other accounts such as rehabilitation, sewer, etc. Every invoice should be recorded as an expenditure the day it is received or on the day it is approved for payment.

- Revenue Accounts – These accounts should be used to identify all revenues earned by the LCDBG program, such as the LCDBG revenue, program income, other revenue, and local contributions.

Monthly Financial Statements

At month's end, the Grantee should prepare financial statements that provide accurate, current, and complete disclosure of the financial results of financially assisted activities. Additionally, it is the responsibility of each Grantee to prepare general purpose financial statements presented in conformity with generally accepted accounting principles at the conclusion of each fiscal year.

[2 CFR 200.328](#)

Therefore, one month after the close of the Grantee's fiscal year, it must have the general-purpose financial statements consisting of a STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE and a BALANCE SHEET prepared and ready for examination by the auditor. Examples of these general-purpose financial statements are shown in [Exhibit A-7](#). Costs incurred for the bookkeeping, accounting, and preparing of the general-purpose financial statements related to the LCDBG program may be considered as administrative costs and *should not be charged as part of the audit expense*.

Bank Account Rules

- Non-Interest-Bearing Account – Funds are to be deposited into and disbursed from a separate non-interest-bearing account that is to be reconciled on a monthly basis. If the Grantee has more than one open grant, then a separate bank account should be maintained for each grant. It is acceptable for one account to be utilized for more than one project, as long as the account is **used only for CDBG projects funded by the OCD-LGA**, including projects funded with CDBG-CV funds. Separate financial statements for each LCDBG and CDBG-CV project must be produced. Pre-printed, pre-numbered checks, not counter checks, must be utilized. If the Grantee uses computer-generated checks, appropriate safeguards must be in place.
- Central Bank Account or Clearing Account – Prior written approval from this office for each project must be obtained for a Grantee to use its general bank account. Separate financial statements for the LCDBG grant must be produced. If utilizing this procedure, all invoices for which payment is requested must be paid in advance, and the checks must be cleared prior to reimbursement by OCD-LGA. Please contact Janelle Dickey at (225) 342-7412 regarding approval to use this type of account. If interest is accrued on LCDBG funds, the State must collect it from the Grantee.
- Signatures on Checks – Checks must be signed by two of the authorized persons listed on the Financial Management Questionnaire (1.h). The use of a signature stamp for one of the names is allowed as long as the other signature is original. This signature must be someone who is not in control of the signature stamp. Checks must not be pre-signed. If the checks are computer generated, there must be adequate controls.

System of Internal Controls

Effective control and accountability must be maintained for all grant cash, real and personal property, and other assets. The concept of internal control refers to those policies and procedures of the jurisdiction designed primarily to adequately safeguard all such property. The State requires that each LCDBG recipient establish a system of internal controls that meet the following minimum requirements:

[2 CFR 200.303](#)

1. No individual shall have complete control over all phases of any significant transaction. For example, the same person cannot authorize payment, record transactions, and sign checks.
2. Recordkeeping must be separate from operations and the handling and custody of assets.
3. Monthly reconciliation and verifications of cash balances with bank statements shall be made by employees who do not handle or record cash or sign checks.
4. Actual lines of responsibility shall be clearly established and then adhered to as closely as possible.
5. The person who prepares payrolls should not handle the related paychecks.
6. Pre-signing or pre-stamping of a blank check is prohibited. The practice of pre-signing checks is a specific violation of the internal control structure.
- 7. All persons who sign checks for LCDBG shall have a current bond or fidelity policy.**
8. Identification of the staff person or contractor who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing the financial statements.

Those communities whose limited personnel make complying with steps 2 through 5 more difficult should contact the State for further guidance. An adequate system of internal controls combined with specific program and financial management responsibilities will permit jurisdictions to maintain appropriate financial records and will facilitate compliance with state and federal requirements.

Financial Management System Adequacy

The Grantee is required to submit a [Financial Management Questionnaire](#).

Enter the names and the titles of the person(s) who will be performing each responsibility. If this information changes during the grant period, notify the grant representative in writing of the change. Persons not listed on the Financial Management Questionnaire with a specific responsibility cannot perform that responsibility for the LCDBG project.

Include a copy of the bond or fidelity policy for those persons who are signing checks. If the bond or fidelity policy has expired, please provide proof of renewal.

The [Financial Management Questionnaire](#) and a copy of the bond or fidelity policy, and proof of renewal (if needed), must be sent to the grant representative at the OCD-LGA along with other information to clear contract conditions.

This office will review the information to determine the adequacy of the Grantee's financial management system subsequent to the grant award.

[2 CFR 200.302](#)

Allowable Cost Items

Cost items that are charged to federal programs must meet several criteria to be allowable under federal awards:

[2 CFR 200.405](#)

[24 570.489\(d\)](#)

- Be necessary and reasonable for the performance of the federal award and be allocable thereto under these principles.

- Conform to any limitations or exclusions set forth in these principles or in the federal award as to types or amount of cost items.
- Be consistent with policies and procedures that apply uniformly to both federally financed and other activities of the non-federal entity.
- Be accorded consistent treatment. A cost may not be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the federal award as an indirect cost.
- Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- Be adequately documented.

General Provisions for Selected Items of Cost

All administrative or program delivery costs must adhere to the requirements 2 CFR 200 subpart E “Cost Principles.”

[2 CFR 200 Subpart E
\(Cost Principles\)](#)

The CDBG regulations provide that funds may be used for administrative activities either through reimbursement of the Grantee’s personnel compensation costs and expenses, payment for professional services costs under an independent contractor relationship, or using the personnel services of existing local public agencies that are designated as a subrecipient by the chief executive officer of the Grantee.

Employees Paid from LCDBG Funds

Reimbursement of employees or local public agency subrecipients must adhere to the requirements of CFR 200.430 “Compensation-personal services” and 200.431 “Compensation—fringe benefits.” All employees paid in whole or in part from LCDBG funds should prepare a timesheet indicating the hours worked and detailed duties performed on LCDBG projects for each pay period. A contemporaneous journal entry in the Grantee’s General (or appropriate) Fund should be made indicating “Due from LCDBG” for the amount allocated of the employee’s payroll to be reimbursed from LCDBG. Each time the Grantee submits a Request for Payment all of the “Due from LCDBG” amounts accumulated to that point should be added to that Request for Payment. The appropriate journal entry for the LCDBG Capital Projects Fund will be a debit to Administration expenditure and a credit to Due to General (or appropriate) fund. The timesheet shown in [Exhibit A-8](#) is an example of records providing reasonable assurance that the charges are accurate, allowable, and properly allocated. The Grantee may use its own timesheet or other records that contain the same information, including the distribution of payroll costs, and that reflect a system of internal control for the assurances made above. According to 2 CFR 200.444, the salaries and expenses (except as provided in §200.474 Travel costs) of the chief executive of a local government or parish, or their legislative bodies, are unallowable.

[2 CFR 200.430](#)

[2 CFR 200.431](#)

[2 CFR 200.444](#)

[2 CFR 200.474](#)

Professional Service Costs – Costs of professional and consultant services rendered by persons who are members of a particular profession or possess a special skill, and who are not officers or employees of the Grantee, are allowable. Reimbursement of professional service contractors must adhere to the requirements of 2 CFR 200.459 “Professional Service Costs”.

[2 CFR 200.459](#)

As authorized in the contract, the vendor must identify the task or description of the service provided, the effort (in hours), the hourly rate of compensation, as well as the nature and amount of expenses, in order to sufficiently describe the work product performed.

EXAMPLE – Invoicing for Labor Compliance

Review of 5 payrolls x .5 hour each = 2.5 hours @ \$50.00 per hour	\$125.00
Conducted 4 labor interviews total 6 hours w/travel @ \$50.00 per hour	\$300.00
<u>Conducted 1 wage restitution 2 hours @ \$50.00 per hour</u>	<u>\$100.00</u>
Labor compliance invoice total	\$525.00

In accordance with the Federal audit standards for professional services, the work product for each individual service must provide sufficient evidence to support allowability and to support the amount being billed in the invoice.

EXAMPLE – Documentation of Work Product

Weekly payrolls with comments or corrections
Labor interview form [x 4]
Letter issuing demand for wage restitution

Notwithstanding any contract provisions otherwise, the Grantee must adhere to the documentation requirements of the Uniform Administrative Requirements to be reimbursed with federal funds for professional services.

Office Equipment – Reimbursement of equipment and other capital expenditures must adhere to the requirements of 2 CFR 200.439. Office equipment is considered a capital expenditure and is not allowed as direct charges except where approved in advance by LCDBG. When purchasing or leasing equipment, Grantees must act in compliance with 2 CFR 200.320, Procurement. Prior to lease or purchase of any equipment with LCDBG funds, Grantees should carry out an analysis of lease versus purchase alternatives and any other appropriate analysis to determine which approach would be the most economical. This analysis must be fully documented in the grant files.

[2 CFR 200.439](#)

[2 CFR 200.320](#)

Items in Excess of \$1,000.00 – If the expected total cost of any single leased or purchased item or the total cost of the aggregate of items exceeds one thousand dollars (\$1,000.00) during the course of the grant, prior approval from the State is required.

[24 CFR 570.489\(d\)](#)

Real Property vs. Rent – Reimbursement of rental payments must adhere to the requirements of 2 CFR 200.465 and be pre-approved by OCD-LGA. Real property or trailers cannot be purchased with LCDBG funds to accommodate administrative staff. Office space may be leased or rented if necessary. Rent paid shall not exceed average office rental costs in the community. Further, rental of administrative space for three years is substantially less expensive than purchase of property. It is more cost effective and ensures that the maximum amount of LCDBG funds is spent for activities that benefit low-to-moderate income residents.

[2 CFR 200.465](#)

Program Income

Regulations define Program Income as gross income generated from the use of CDBG funds that were received by the State, by a unit of general local government, or a subrecipient of a unit of general local government.

[24 CFR 570.489\(e\)](#)

Generally, program income is returned to the State and is re-awarded following guidelines established in the State's current [Consolidated Annual Action Plan](#), which is available on the OCD-LGA's website. There may be some circumstances where the general local government would be allowed to retain the income. In those instances, the Grantee should contact OCD-LGA for instructions.

CDBG-CV

For projects funded by the CDBG-CV Love Louisiana Outdoors Program for the development or rehabilitation of outdoor recreational facilities, annual reporting to the OCD-LGA is required. All income earned by each facility through any means, including fees or rent charged for use of the facility, must be documented. The Love Louisiana Outdoors Program – Annual Report ([LLOP – Annual Report](#)), which can be accessed on the OCD-LGA website, is to be utilized to report all revenue and expenditures for each facility for each calendar year. The LLOP – Annual Report is due on January 31st of each year following Grant Closeout. The report must be submitted each year thereafter, with the final report being submitted the year following 5 years after final closeout of the project (i.e., if the project closes out on June 15, 2023, the final report will be due on January 31, 2029). If annual revenue exceeds annual expenditures, a check must be written from the grantee to “State of Louisiana, Division of Administration” and sent to the OCD-LGA, along with the LLOP – Annual Report. A notation on the check should indicate the purpose of the check, “return of revenue,” and the CDBG-CV grant agreement number.

AUDITS

All reports must be prepared in accordance with the [Louisiana Governmental Audit Guide](#). It is the responsibility of the Grantee to procure or otherwise arrange for the audit required and to ensure that it is properly performed and submitted when

[2 CFR 200.504](#)

due. The appropriate type of governmental fund for the LCDBG program is a **Capital Projects Fund or Special Revenue Fund**; the fund must be accounted for using a modified accrual basis of accounting. All LCDBG monies should be accounted for in that fund. This would include all revenue identified in the LCDBG contract such as local match, other funds, and program income. Each source should be identified in the accounting records and in the annual audit or financial report. When reported in the Grantee's audit, the LCDBG funds utilized for each project should be separately identified. The financial report must clearly identify program expenditures as an eligible activity(ies) by one or more of the activities listed in the [Exhibit A-6](#), General Ledger Chart of Accounts - Expenditures.

Single Audits

Under the provisions of the Single Audit Act Amendments of 1996 (31 USC Chapter 75), an audit under 2 CFR 200 subpart F is required whenever the amount of federal expenditures (LCDBG program funds plus all other federal

expenditures) in a year exceeds \$750,000. This type of audit includes a full set of financial statements and other detailed information and is referred to as a "single audit." The single audit will meet federal accountability requirements and will be sufficient to meet state accountability requirements.

Other Types of Financial Reports

If less than \$750,000 in federal funds is expended in an entity's fiscal year, a single audit is not required, but other requirements called for by state law and LCDBG policies must be met. If a Grantee determines that a single audit is not required, the Grantee must submit one of the following reports:

- Annual sworn financial statements if revenue received was \$75,000 or less
- An annual compilation if revenue received was more than \$75,000 but less than \$200,000
- A review/attestation if revenue received was \$200,000 or more but less than \$500,000
- An annual audit if revenue received was \$500,000 or more

Audit Due Dates

An audit or financial report is required from each Grantee annually within six months (180 days) after the Grantee's fiscal year end. Audits not received within this six-month period will be placed on the [Louisiana Legislative Auditor's Non-Compliance List](#). Once on this list, the entity will be barred from receiving funds from any source including LCDBG. This list is posted on the Legislative Auditor's website and is updated daily as audits are received.

In addition, if a required audit(s) or financial report(s) for a conditionally closed grant is not received by the Louisiana Legislative Auditor within 10 months after the Grantee's fiscal year end, the Grantee will be sanctioned from future participation in the LCDBG program. This sanction will remain in place until the audit(s) or financial report(s) has been received and approved by the OCD-LGA.

Audit Scope

CDBG funds are federal funds. They are a pass-through grant from HUD; the **CFDA # is 14.228** (also known as the or ALN#). The CDFA number is included the Grant Agreement with OCD-LGA, and this information must be forwarded by the Grantee to the CPA firm that completes the annual audit.

Upon completion of the financial report (audit), please advise the CPA to submit to the Louisiana Legislative Auditor.

Audit Response

The Grantee may be expected to respond in writing to LCDBG regarding any findings of noncompliance, control structure comments, or recommendations cited by the independent CPA in their report or in a report issued by the Legislative Auditor. Such response should identify each finding or comment and the action(s) that has been taken or is planned to be taken. If an action has not been taken, provide the approximate date the action will be completed, or explain why no action is believed to be required.

Audit Costs

If audit costs for single audits are to be charged to the LCDBG program, the Grantee must follow the requirements explained in the Procurement section of this handbook. However, due to the importance of the audit process, Grantees are

[2 CFR 200.318 – 200.327](#)

reminded that not all CPAs are qualified to perform audits of governmental entities and, in particular, under the [Single Audit Act](#). Care should be exercised to select an experienced, qualified firm, rather than simply selecting the firm offering to perform the audit at the lowest price.

Auditor Selection

In requesting proposals for audit services, the objectives and scope of the audit must be made clear, and the Grantee must request a copy of the audit organization's peer review report which the auditor is required to provide under GAGAS. Factors to be considered in evaluating each proposal for audit services include the responsiveness to the request for proposal, relevant experience, availability of staff with professional qualifications and technical abilities, the results of peer and external quality control reviews, and price. Whenever possible, the Grantee must make positive efforts to utilize small businesses, minority-owned firms, and women's business enterprises, in procuring audit services as stated in § 200.321.

[2 CFR 200.509\(a\)](#)

Requesting Audit Costs Reimbursement

The pro-rated portion of the single audit cost which can be charged to the LCDBG program may be determined by multiplying the total audit cost times a fraction (the numerator of which is the LCDBG program expenditures for the period, and the denominator of which is the government entity's total expenditures for the period, including the LCDBG program expenditures). A calculation of the allowable portion of the audit cost should be included in the supporting documentation presented with the request for payment.

Funds can be drawn once a Notice of Removal of Contract Conditions is received from the State.

REQUEST FOR PAYMENT

Funds are requested using the LCDBG Request for Payment Form, [Exhibit A-9](#). The Request for Payment Form can be completed in Excel and printed, or printed and completed by hand. The form must be completed accurately, or it cannot be processed. Requests can be made only in amounts necessary to meet current disbursement needs and **approved invoices** must be attached.

The form should be sequentially numbered for each separate request that is submitted. If the request is a resubmission of a previous request that was rejected or returned for errors, the resubmission would have the same request number as the original submission with an "A" or sequential letter after it, e.g., 2.A

Where dollar amounts are indicated, show a decimal and cents (do not round).

The form must show the exact amount of cash on hand at the time of the request if all previously requested project funds have not been distributed. Funds disbursed to date on [Exhibit A-9](#), Line 1D should include all invoices paid with LCDBG funds since the beginning of the grant.

Signatures on Request for Payment Form

Two of the people listed on the Authorized Signature Form ([Exhibit A-3](#)) and the [Financial Management Questionnaire](#) must sign the Request for Payment ([Exhibit A-9](#)). Signatures on the request form must be **identical** to those on the Authorized Signature Form, including signee's middle initials. Any questions regarding the Request for Payment Form should be directed to the Local Government Representative (LGR) at the OCD-LGA.

Invoices

Invoices must be submitted with all Requests for Payment that indicate the date the goods and/or services were received. If goods are provided, the vendor must identify the items(s), quantities, and unit costs. If services are rendered, the vendor must state the period covered by the invoice, from XX- XX-20XX to XX-XX-20XX; for professional services, the vendor must identify the task, the effort (in hours), and the hourly rate. Invoices included with the RFP must be signed, indicating approval, by the person listed with that responsibility on the Financial Management Questionnaire. The Financial Management Questionnaire is discussed under “Program Administration: Financial Recordkeeping – Financial Management System Adequacy.” An original and one copy must be sent to the State.

Submitting a Request for Payment (RFP)

Requests for funds must be received by the OCD-LGA with appropriate signatures and invoices by **Thursday at noon** for payment on Wednesday of the following week.

Receipt of Requested Funds

The Grantee should check with its financial institution when expecting LCDBG funds to see that the funds were deposited in its account. Contact the LGR in this office if funds are not received. If there is a holiday during the request period, an extra day may need to be added to the anticipated receipt date.

THREE-DAY EXPENDITURE RULE

LCDBG funds must be expended within three working days. This procedure minimizes the time elapsing between the transfer of funds from the U.S. Treasury and disbursement by Grantees.

[2 CFR 200.305\(b\)](#)

This three-day rule means that all draws will be expended within three working days of the deposit. If LCDBG funds are deposited on a Wednesday, checks totaling the entire amount must be written by close of business the following Monday. In order to comply with the three-day rule, the Grantee should arrange to be notified the day an LCDBG deposit is received by the bank or check to verify the deposit. If LCDBG funds are received and not disbursed within three working days, contact the Grantee’s LGR to discuss the situation and determine whether funds should be retained or returned to the State.

BUDGET RECONCILIATION REPORT ([EXHIBIT A-10](#))

This report is required if funds are requested in one category and expended in another. In this report, actual expenditures are compared with budgeted amounts and amounts requested on the Request for Payment Form by category. This report must be sent if there are errors or changes in invoices after submittal for reimbursement. If amounts on the Certificate of Completion differ from the LCDBG records, a budget reconciliation report will be required prior to closeout.

BUDGET REVISION REPORT ([EXHIBIT A-11](#))

A budget revision report must be sent to the OCD-LGA if the Grantee must revise the program budget or move money allocated from one category to another. Prior approval is not required if the dollar amount of the budget change, plus any previous budget changes, is less than 10 percent of the grant amount. This report must be sent within 10 days of the budget change and 14 days prior to submission of any Request for Payment Form involving

the change. The Grantee must submit the report with a letter that details the changes and explains why it is necessary.

COMPLETING ENVIRONMENTAL REVIEW REQUIREMENTS

All CDBG Grantees are required to comply with federal environment laws and regulations. These laws and regulations are contained in the National Environmental Policy Act (NEPA) of 1969 and HUD implementing regulations at 24 CFR Part 58 (rev. October 29, 2003). The executed grant agreement requires an environmental review to be completed in compliance with the regulations in 24 CFR Part 58 (Part 58) prior to the obligation, expenditure, or draw down of program funds. The environmental review, and applicable public notifications, becomes part of a written environmental review record to be maintained by Grantees. This record documents that CDBG funded and related activities are in compliance with NEPA under the regulatory requirements of Part 58, and other applicable federal laws, regulations, and executive orders. Additionally, the Grantee is responsible for compliance with the [Louisiana Environmental Quality Act](#). These policies and laws cover the following areas: Noise, Air Quality, Historic Properties, Floodplains, Wetlands, Coastal Zones, Water Quality, Sole Source Aquifers, Toxic and Radioactive Materials, Explosive and Flammable Operations, Airport Clear Zones, Coastal Barriers, Farmlands Protection, Endangered Species, Environmental Justice, and Wild and Scenic Rivers. Please refer to 24 CFR Part 58 for the laws and authorities pertaining to environmental review.

[40 CFR Parts 1500-1508](#)

[24 CFR Part 58](#)

In short, Grantees are required to determine the impact of the HUD-funded project or activity on the environment as well as the impact of the environment on the project. The process for developing your ERR should begin with the completion of the Determination of Level of Environmental Review ([Exhibit A-12](#)). Once the level of review has been determined the grantee will use the appropriate HUD form based on the level. The worksheets required for each area of compliance based on the environmental review level should be submitted along with all compliance documentation.

THE RESPONSIBLE ENTITY

Under Part 58, the term “Responsible Entity” Responsible Entity means the entity responsible for completing the environmental review. In the state CDBG Program, the local unit of government Grantee is the Responsible Entity. Therefore, these terms are used interchangeably with Grantee throughout this section and the exhibits.

The responsible entity must complete the environmental review process. Environmental review responsibilities have both legal and financial ramifications. As part of the assurances and agreements signed by the responsible entity, the Chief Elected Official (CEO) of the responsible entity agrees to assume the role of “responsible federal official” under the provisions of NEPA.

ENVIRONMENTAL CERTIFYING OFFICER

The Chief Elected Official will be the Environmental Certifying Officer for the Responsible Entity. They will assume overall responsibility for the environmental review process. They must sign all letters, certifications, and findings, particularly the Request for Release of Funds and Certification (HUD Form 7015.15), the Certification of Exempt and Categorically Excluded Activities (not subject to 58.5), the Certification of Categorical Exclusion (subject to 58.5), and the Environmental Assessment Format. In completing the review of an ERR, the

[HUD Form 7015.15](#)

[24 CFR Part 58](#)

OCD-LGA has created an environmental review checklist found in [Exhibit A-13](#). ERRs must be cleared within five months of the “Authorization to Incur Costs” letter ([Exhibit A-1](#)).

Special Requirements for Economic Development Projects

For all projects, especially economic development projects involving loans and/or infrastructure grants, particular attention must be given to 24 CFR part 58.32, Project Aggregation. All activities to be accomplished in the entire project must be environmentally cleared, including those activities financed by private funds.

[24 CFR 58.32](#)

For economic development projects, close attention must be given to 24 CFR part 58.22. **It is imperative that this regulation be understood by all parties to avoid possible disallowed costs.** Neither a grantee nor any participant, including public or private nonprofit or for-profit entities or any of their contractors, may commit LCDBG/HUD funds or non-LCDBG (private) funds or undertake an activity or project until the State has approved the recipient’s Request for Release of Funds. HUD has determined that this regulation regarding private funds is triggered at the time the Grantee’s application is submitted to the State. In other words, the restriction does not apply to undertakings or commitments of non-federal funds before the grant application is submitted.

[24 CFR 58.22](#)

It is both HUD and the State’s strong recommendation that both the application and the ERR be submitted to the State simultaneously; otherwise, a private developer may have to stop the commitment of funding to the project until the ERR review is complete. After reviewing the ERR and awarding funding, the OCD-LGA will give permission for the Grantee to publish the Notice of Intent to Request a Release of Funds (for Categorically Excluded Activities Subject to 58.5) or the Combined Notice of Finding of No Significant Impact and Notice of Intent to Request a Release of Funds (for activities requiring an Environmental Assessment) and submit the Request of Release of Funds and Certification. It should take approximately two weeks after receipt until the environmental review is approved.

ENVIRONMENTAL REVIEW CLEARANCE LEVELS

There are five levels of clearance available for the environmental review. A determination must be made concerning which of the five levels will apply to the project being cleared. There are specific requirements for each category of activities.

A project that clearly will have little negative impact on the environment is either Exempt or Categorically Excluded from most environmental requirements. There are two levels of Categorically Excluded activities. In these cases, the ERR must document the recipient's determination that the project is free from either all environmental requirements or from the requirements of NEPA.

Projects that are neither Exempt nor Categorically Excluded will require a full Environmental Assessment. The results of the Environmental Assessment will determine if an Environmental Impact Statement is required.

Public facility rehabilitation activities (such as hook-ups) should be cleared in conjunction with the regular public facility activity.

Exempt Activities

Certain activities are Exempt from environmental review requirements of NEPA and the environmental requirements of other relevant federal laws. These activities include the following:

- Environmental studies
- Project planning
- Administrative costs
- Project engineering and design costs for a proposed eligible activity
- Public services that will not result in any physical changes
- Assistance for temporary or permanent improvements that do not alter environmental conditions and are limited to protection, repair, or restoration activities necessary only to control or arrest the effects from disasters, imminent threats, or physical deterioration

[24 CFR 58.34](#)

[Certification of Exempt/
Categorically Excluded
Activities](#)

Activities correcting imminent threats to health and safety may be undertaken only to the extent necessary to alleviate emergency conditions as certified by the Chief Executive Officer. The Chief Executive Officer must notify the State within 10 days of determining that a situation exists that poses an imminent threat to public health and safety. The OCD-LGA must agree that the situation qualifies to be considered Exempt under this regulation before LCDBG funds can be used to alleviate the emergency conditions.

To complete environmental requirements for Exempt activities, the Grantee must make and document a certification that such activities are Exempt. This involves completing the Certification of Exempt/Categorically Excluded Activities for HUD-Funded Projects which identifies the activity and states the statutory authority for the exemption. .

The Grantee does *not* have to submit the Request for Release of Funds and Certification form; however, all other contract conditions listed in the LCDBG contract must be cleared prior to the release of funds.

Categorical Exclusions Not Subject to 58.5

HUD has determined that certain Categorically Excluded activities would not alter any conditions that would require a review under 58.5. The Grantee does not have to publish a Notice of Intent to Request Release of Funds or submit a Request for Release of Funds and Certification form. The Certification of Exempt/Categorically Excluded Activities for HUD-Funded Projects) must be completed.

[24 CFR 58.35\(b\)](#)

[Certification of Exempt/
Categorically Excluded
Activities](#)

These activities include the following:

- Supportive services and operating costs
- Equipment
- Economic development activities not associated with construction or expansion of existing operations
- Activities to assist homebuyers that result in the transfer of title

Categorically Excluded Activities Subject to 58.5

The following activities are Categorically Excluded from the environmental review requirements of NEPA, but must comply with the environmental requirements of other federal laws listed in 58.5:

[24 CFR 58.35\(a\)](#)

- Acquisition, repair, improvement, reconstruction, or rehabilitation of public facilities and improvements when the facilities and improvements are in place and will be retained in the same use without change in size or capacity of more than 20 percent. See part [58.35\(a\)\(1\)](#). (Water and sewer line replacement will most likely not be Categorically Excluded. Hard surfacing of a gravel street is not Categorically Excluded.)
- Special projects for removal of material and architectural barriers. See part [58.35\(a\)\(2\)](#).
- An individual action (rehab) on a one-to-four family dwelling or on a project of five or more units developed on scattered sites when the sites are more than 2,000 feet apart, and there are not more than four units on any one site. See part [58.35\(a\)\(4\)](#).
- Acquisition or disposition of an existing structure or acquisition of vacant land provided that the structure or land will be retained for the same use. See part [58.35\(a\)\(5\)](#).

OCD-LGA's environmental staff should be contacted before making a finding of Exemption or Categorical Exclusion to avoid incorrect findings.

The following items must be included in the ERR for Categorically Excluded activities:

- Determination of Level of Review ([Exhibit A-12](#))
- Certification of Categorical Exclusion (subject to 58.5).
- Documentation of compliance with 24 CFR 58.5 and 58.6 through the completion of the HUD Worksheets with all supporting documents attached. OCD-LGA has provided a checklist Grantee use. ([Exhibit A-13](#)).
- Evidence of publication or posting of the Notice of Intent to Request Release of Funds ([Exhibit A-19](#)).
- Request for Release of Funds and Certification ([Exhibit A-2](#)).
- A floodplain map delineating the target area is required regardless of whether or not the project is located in a floodplain.

[Certification of Categorical Exclusion](#)

Activities Requiring an Environmental Assessment

For activities that are neither Exempt nor Categorically Excluded, an Environmental Assessment is required which documents compliance with NEPA and with the environmental requirements of other federal laws. The Environmental Review Record must contain the following documentation:

[24 CFR 58.36](#)

- Determination of Level of Review ([Exhibit A-12](#))
- Part 58 Environmental Assessment Format

[Environmental Assessment Format](#)

- Documentation of compliance with other federal laws through the completion of the HUD Worksheets with all supporting documentation attached. OCD-LGA has provided a checklist Grantee use. ([Exhibit A-13](#)).
- Evidence of publication (or posting) and distribution of the Combined Notice of Finding of No Significant Impact and Intent to Request Release of Funds ([Exhibit A-14](#)) and the Notice of Finding of No Significant Impact Distribution List ([Exhibit A-15](#)).
- Request for Release of Funds and Certification ([Exhibit A-2](#)).
- A floodplain map delineating the target area is required regardless of whether the project is located in the floodplain or not.
- For projects involving new construction, a wetlands map delineating the target area is also required.

Environmental Impact Statement (EIS)

In most instances, an Environmental Impact Statement will not be needed. However, if the proposed project is determined to have a potentially substantial impact on the environment, an Environmental Impact Statement must be prepared. **The OCD-LGA must be contacted if it is determined that an EIS is required.**

[24 CFR 58.37](#)

GENERAL ENVIRONMENTAL REVIEW RECORD REQUIREMENTS

Determination of Level of Review ([Exhibit A-12](#))

In addition to the shorter project descriptions found at the top of each certification form and required checklist, a more specific description must identify, in detail, the project type, area served, location, linear feet of pipe to be installed, number of new service connections, etc. The target area must be described by street name, highway name, or numbers for each street serving as a boundary for the project area being environmentally cleared. A legal description of the area being cleared may be included but is not required. The description should include the project's dollar amount and identify all sources of funding, especially for economic development projects. For all projects, the description should identify the items/activities for which the LCDBG funds will be expended, and the items/activities for which private funds will be expended.

A map clearly delineating the project area and location of project activities should also be included. The project description and map must indicate whether the ERR is site specific or area wide for public facilities projects.

If the project involves the installation of a water well and the location of the well site is known, it should be indicated both in the project description *and* on the ERR map. For a site-specific project, the project description and the ERR map indicating the location of the proposed improvements must be sent to the agencies used as data sources, as they will be commenting on that particular site. However, if the exact location of the project has not yet been determined, but the well will be drilled somewhere within the project area, it is necessary to clear the entire project area by indicating its boundaries in the project description and on the ERR map.

If the project involves ground disturbance, demolition, substantial rehabilitation (more than 20%), or new construction then an environmental assessment will be required.

Completing the HUD Statutory Worksheets and Environmental Review Formats

Exactly what activity is being cleared and its location, whether site specific or area wide, must be made apparent to the data source, either by letter or verbally. The ERR must also indicate the project description and which map was used when contacting the data sources. **If specific locations of proposed improvements are indicated on documents used to obtain comments from data sources, the OCD-LGA will consider the ERR to be site specific.**

For Categorically Excluded (subject to 58.5) activities and those requiring an Environmental Assessment, the HUD Statutory Worksheets and Environmental Review Formats must be completed to document compliance with other federal laws. Completion of the Worksheets are the first step in the ERR process. These worksheets will indicate which, if any, agencies should be contacted for comments. The Environmental Review Formats include a section to provide a summary of the information obtained from the HUD Statutory Worksheets (below). Please read each question on the worksheets carefully and follow the instructions.

Marking "no" will indicate that the area of compliance is not applicable to the project or that there is sufficient documentation that compliance has been met and no mitigation or consultation is required. This information must be listed in the Compliance column of the Checklist. If the area of compliance is not applicable, the Grantee should indicate this and include an explanation as to why it is not applicable. This explanation should refer back to the determination on the HUD Worksheet.

The Grantee must also list all references consulted to reach the determination.

If "no" is checked for all areas of compliance on a Categorically Excluded project, then the project can be converted to Exempt. In this instance, the Grantee does NOT submit the Request for Release of Funds and Certification form..

If "yes" should be marked on the Statutory Checklist, the Grantee must include one of the following in the Compliance column of the Statutory Checklist along with a summary of the determination and actions taken:

- Consultation/Review procedures required – This is when consultation is required with federal or federally authorized agencies or when additional studies are needed (e.g., section 106 concurrence memo or Eight-Step Process).
- Determination of consistency, approvals, and permits obtained – This is needed when areas require consistency or where projects require permits, licenses, or other forms of approval (e.g., consistency with state coastal zone management plan).
- Conditions or mitigation actions required – This is when a project requires conditions or mitigation. Any that are required should be listed in the Mitigation Measures and Conditions for Project Approval section of the Statutory Checklist. Also, this information must be included in the "Project Activity/Project Description" section on the HUD 7015.15 form.

When "yes" is marked, the Grantee is required to publish a Notice of Intent to Request Release of Funds and submit a Request for Release of Funds form ([HUD 7105.15](#)) with the completed ERR document.

All areas of compliance require contact with a qualified individual from a local, state, or federal agency, or other qualified information. If an individual is used as a source, their title, agency, name, and the date of correspondence or verbal contact should be included in the Compliance column on the Checklist.

If the project will have an impact, positive or negative, on the environment, the degree and nature of the impact on the environment must be discussed in the Compliance column on the Checklist. If contact is verbal, a telephone log should be kept documenting the call. The OCD-LGA may request that this log be submitted for review. If a plan or publication is cited, the title, date, and page number must be shown. If the preparer of the checklist is used as a reference, it is imperative that the preparer is knowledgeable in the event that the validity of the ERR is ever questioned.

All letters, documents, etc., pertaining to the ERR must be included in the record. If a website is used as a data source for the compliance documentation, the website and date visited must be listed in the Compliance column. Also, a printout from the website with the data used to make the determination should be recorded in the ERR.

Particular attention must be given to the review requirements of floodplains and wetlands, historic preservation, farmlands protection, and noise. In addition, special attention should be paid to federal Executive Order 12898 issued February 11, 1994, concerning environmental justice. The HUD Environmental Review website can be used for more information and resources on environmental review compliance.

[HUD Environmental Review Website](#)

Historic Preservation

Requirements are met by contacting the Louisiana Historic Preservation Officer and all Native American tribes identified by HUD as having an interest in the project's location to determine if the project will impact a historic or culturally significant structure or site. A letter signed by the Chief Elected Official describing the project and its location must be mailed to the Historic Preservation Officer and each appropriate tribe. A sample letter is included as [Exhibit A-16](#).

[HUD Historic Preservation Worksheet](#)

To determine which, if any, Native American tribes should be consulted, the Grantee must use HUD's Tribal Directory Assessment Tool. Include a copy of the printout from this tool in the ERR. Each tribe member listed in the directory must be contacted even if there is more than one contact per tribe. The letter to, and the response from, the Historic Preservation Officer and each appropriate tribe must be included in the ERR. If a tribe requests that a clause be incorporated into the contract (e.g., an inadvertent discovery clause), then the Grantee must comply. If no tribes reply within 30 days, document this by writing "no tribes responded" in the Compliance Finding column of the Checklist.

[HUD Tribal Directory Assessment Tool](#)

Floodplain Management

For this area, the project must comply with federal Executive Order No. 11988, covered in HUD regulations 24 CFR part 55. Most physical actions taken in a 100-year floodplain are subject to part 55, including structures, roads, and pipelines with the exception of minor clearing and grubbing. If an *incidental* portion of a project site is in the floodplain, part 55 does not apply. For projects involving building structures, part 55.12(b)(2) states that minor rehabilitation that does not meet the threshold for substantial improvements is not subject to part 55. The definition of substantial rehabilitation is given in part 55.2(b)(8). HUD funds cannot be used in floodways unless an exception in section 55.12(c) applies, or the project is a functionally dependent use (e.g., dams, marinas, and port facilities) or a floodplain function restoration activity."

[24 CFR Part 55](#)

[24 CFR 55.12\(b\)](#)

[24 CFR 55.2\(b\)\(8\)](#)

[24 CFR 55.12\(c\)](#)

[HUD Floodplain Management Worksheet](#)

On the checklist, indicate as to whether part 55 applies to the project and is located within a 100-year floodplain identified by FEMA maps or if it is a critical action (emergency facilities or facilities for mobility impaired persons) within a 500-year floodplain. **Water and sewer treatment plants are considered critical actions, so the Eight-Step Process must be completed if they are in a 500-year floodplain.**

The compliance documentation must also include the floodplain map panel number and date, or contact with another source if there is no FEMA map for the project area. If FEMA has developed preliminary maps, they must be used. If FEMA has not published flood maps or developed preliminary maps of the area, the Grantee must make a finding based on best available data, such as the municipality/parish engineer or local Flood Control Agency. However, a base flood elevation from an interim, preliminary, or non-FEMA source cannot be used if it is lower than the current FIRM and FIS. FEMA maps are available on the FEMA Flood Map Service Center. The ERR must include a floodplain map with the project area marked even if the project is not in a floodplain.

[FEMA Flood Map Service Center](#)

If part 55 does apply to the project, the Grantee must complete an Eight-Step Process, which is summarized below. Documentation must be provided in the ERR for each of the following steps:

[24 CFR 55.20](#)
[HUD 8 Step Process Flowchart](#)

- Determine if the project is located in a 100-year floodplain or has an impact on the floodplain by locating the project on a floodplain map. Record the results and date of this examination in the ERR.
- Involve the public in the decision-making process by publishing an Early Public Review Notice ([Exhibit A-17](#)) in a local newspaper to make the public aware of the Grantee's intention of conducting a project within the floodplain. This notice requires a 15-day comment period.
- Determine if there is a practical alternative to locating the project in a floodplain through alternative siting, an alternative action that would minimize damage to or within the floodplain, or no action.
- Identify adverse impacts on the base flood plain, e.g., whether it will directly or indirectly support flood plain development, whether the impact is concentrated or dispersed, and if it is short or long lived.
- Identify methods to be used to minimize, restore, and preserve the floodplain.
- Re-evaluate alternatives, taking into account identified impacts and minimization measures. Is it possible to modify or relocate the project to eliminate or reduce these effects, or should no action be taken?
- Announce and explain the decision to the public by publishing a Notice of Explanation ([Exhibit A-18](#)) in a local newspaper. This notice requires a seven-day comment period and can be published simultaneously with the Notice of Intent to Request Release of Funds if the project is Categorically Excluded Subject to 58.5, *not* if the project requires a full Environmental Assessment.
- Implement the project with appropriate mitigation.

NOTE: Grantees must use the current format for notices and carefully review them before publishing to ensure that all information is included and correct.

Wetlands Protection

This area must comply with federal Executive Order 11990. The E.O. 11990 applies to **new construction, land use conversion, major rehabilitation, and/or substantial improvements**. The Grantee should contact the OCD-LGA if there are any questions as to whether or not this area of compliance applies to their project.

[Executive Order 11990](#)

[HUD Wetlands Protection Worksheet](#)

The National Wetlands Inventory defines wetland areas broadly and is maintained by the U.S. Fish and Wildlife Service.

Instructions for Checking the Wetlands Mapper

1. Go to <https://www.fws.gov/wetlands/Data/Mapper.html>.
2. Click on the map in the Wetlands Mapper box at the bottom of the page.
3. Accept the terms and conditions.
4. Select "Find Location," then enter the location of the project in the box and click "Go."
5. Select "Basemaps," then "Streets."
6. Use the zoom bar on the left to bring the project location into view.
7. Select "Print" at the top, enter a title, and click "Print" again.
8. When the title appears below "Print Jobs," click on the link to view your map.
9. Print a color copy to include in the ERR.
10. Mark the project location on the map.

A copy of the National Wetlands Inventory Map for the project area showing its specific location and activities (if conducting a site-specific ERR) must be included in the ERR. However, not all areas of the state have been added to the website map at this time. If the project area is not included and the USACE (U.S. Army Corps of Engineers) makes a determination that wetlands do not exist there, the Grantee must then decide if there are any wetlands in the project area.

Federal Executive Order 11990 (section 7(c)) defines wetlands as follows:

"Wetlands generally include swamps, marshes, bogs, and similar areas such as sloughs, potholes, wet meadows, river overflows, mud flats, and natural ponds." If

[Executive Order 11990](#)

it is obvious to the ERR preparer and certifying officer that no wetlands exist in the project area based on the above, this determination is acceptable. However, if the Grantee is unable to make this determination, a wetlands specialist should be hired to make a determination, or the Grantee can complete the Eight-Step Process as if there are wetlands present in the project area.

In summary, no wetlands exist if not indicated by the U.S. Fish and Wildlife Service's National Wetland Inventory Map OR if the area has not been mapped and the ERR preparer and certifying officer have made a determination that there are no wetlands.

HUD regulations found at 24 CFR part 55 cover both floodplain management and protection of wetlands. Therefore, if a project involves new construction or substantial improvements and is located within a designated wetland, the Eight-Step Process is required. The Eight-Step Process should be conducted jointly if the project is also located in a floodplain. If this is done, both floodplains and wetlands must be addressed and referenced throughout all eight steps and in the published notices.

[24 CFR Part 55](#)
[HUD 8 Step Process Flowchart](#)

Please review the notices carefully prior to publication to ensure all information is included and correct.

Coastal Areas

With very limited exceptions, federal funds assistance is not allowed in Coastal Barrier Resource Areas (CBRA's). Grantees must document with a map that the project is not located within a CBRA or the activity is exempted.

[HUD Coastal Barrier Resources Worksheet](#)

Review the Coastal Zone Boundary Map found on the Office of Coastal Management website to determine if the project falls within the 20 coastal zone parishes. If it is, the Grantee must contact the [Louisiana Department of Natural Resources, Office of Coastal Management \(OCM\)](#) for comment.

[Louisiana Coastal Boundary Map](#)

[HUD Coastal Zone Management Worksheet](#)

Projects that are near the coastal zone boundary or those which may involve discharges into waters that flow into the coastal zone should be submitted to OCM for review as well. If the project is clearly not within the coastal zone, the Grantee may use the [Coastal Zone Act, Louisiana Legislation Act 361, Revised](#), as a reference. A copy of the map must be included in the ERR with the project area indicated.

If the Grantee is seeking comments on the need to obtain a Coastal Use Permit or other authorization from OCM, a Request for Determination or Solicitation of Views should be submitted to OCM's Permits and Mitigation Division. Instructions as well as downloadable and online applications are located at <http://dnr.louisiana.gov/index.cfm?md=pagebuilder&tmp=home&pid=85&ngid=5>.

[OCM Permits and Mitigation Division](#)

Questions regarding this process may be directed to OCM Permits Section staff.

Sole Source Aquifers

This compliance area must be addressed if the project involves new construction or land use conversion. A map designating the location and boundary of the Chicot aquifer system and the Southern Hills aquifer system is located on the EPA Sole Source Aquifers Interactive Map. If this map is used as a reference, a copy of the map with the project's location marked must be included in the ERR. The Grantee should contact the EPA/Water Management Division for projects that are located in the Southern Hills or Chicot aquifer systems. All documentation must be included in the ERR and summarized in the Statutory Checklist.

[HUD Sole Source Aquifers Worksheet](#)

[EPA Sole Source Aquifers Interactive Map](#)

Endangered Species

According to the Statutory Worksheet, if the project involves “resurfacing, repairing, or maintaining existing streets where additional ground disturbance, outside of the existing surface, is not necessary,” the Responsible Entity may make the determination that consultation is not needed.

[HUD Endangered Species Worksheet](#)

If the project does not meet the description above as per the HUD Environmental Field Officer, the Grantee is required to determine if contact with the agency is necessary. Instructions for contacting the U.S. Fish & Wildlife Service/Louisiana Ecological Services can be found at <https://www.fws.gov/office/louisiana-ecological-services>. The Grantee must complete a USFSW Report and include it with the ERR if compliance with this section is necessary. If the consultation with USFWS indicates that the project will not adversely affect threatened or endangered species or modify critical habitats, the Grantee will mark box A on the Statutory Checklist. If the USFWS’s response specifies that the project will have an effect, the Grantee must mark box B and enter into a formal consultation with the agencies in accordance with procedural regulations contained in 50 CFR part 402.

[50 CFR Part 402](#)

Please note that the Responsible Entity (Grantee) must make this finding and include a memorandum in the ERR; consultants and engineers cannot be the source for this determination.

Wild and Scenic Rivers

If the project involves new construction or meets the definition of substantial improvements, then the Grantee must determine if the project is located within one mile of a designated Wild & Scenic River or a river being studied as a potential component of the Wild & Scenic River system. If it is, a determination must be obtained from the National Park Service (NPS) that shows that the project will not have a direct and adverse effect on the river or invade or diminish values associated with the rivers. For rivers included in the Nationwide River Inventory, consultation with the NPS is required to identify and eliminate direct and adverse effects. According to the NSP Wild and Scenic River System map, the Saline Bayou is the only river in Louisiana listed in the National Wild and Scenic Rivers system. A listing of the rivers being studied as a potential component of the Wild & Scenic River system can be found online. The Nationwide River Inventory (NRI) listed rivers can also be found on the NPS website. Supporting documentation must be included in the ERR.

[HUD Wild and Scenic Rivers Worksheet](#)

[National Wild and Scenic River System](#)

[Wild and Scenic River Studies](#)

[Nationwide River Inventory \(NRI\)](#)

Air Quality (Clean Air Act)

Projects that involve new construction or substantial improvements must get a determination if the community meets the National Ambient Air Quality Standards. The Louisiana Department of Environmental Quality may be contacted to get this determination. The compliance documentation should state if the community is attainment or non-attainment and if the project will affect air quality. If the project is in a non-attainment zone, the Grantee must obtain a letter showing that the project is consistent with the State Implementation Plan (SIP). If the project is not consistent with the SIP, then the Grantee must contact the EPA to determine if a permit is required. Region 6 Air State Implementation Plans can be found at: <https://www.epa.gov/air-quality-implementation-plans/approved-air-quality-implementation-plans-region-6>.

[HUD Air Quality Worksheet](#)

Farmland Conversion

The Farmlands Protection Policy Act (FPPA) minimizes the extent to which federally assisted actions and projects convert farmland to non-agricultural uses. The FPPA (7 USC Sec. 4201 et seq.) defines prime farmland, unique farmland, and farmland of state or local importance. If the project is located in an area that is committed or zoned to urban use, no further review is necessary. The Natural Resources Conservation Services (NRCS) web soil survey maps and instructions can be found on the Web Soil Survey page.

[HUD Farmlands Protection Worksheet](#)

[NRCS Web Soil Survey](#)

When a proposed project converts farmlands to non-agricultural uses, the Farmland Conversion Impact Rating Form AD-1006 must be completed. It can be obtained from the NRCS website.

[Farmland Conversion Impacting Rating Form \(AD-1006\)](#)

The Act encourages federal agencies to consider the effects of the project on farmland conversion. The final decision to convert farmland to non-agricultural uses rests with the agency or, in this case, the LCDBG recipient.

This section should include one of the following forms of documentation:

- A determination that the project does not include any activities, including new construction, acquisition of undeveloped land, or conversion, that could potentially convert one land use to another.
- Evidence that the exemption applies, including all applicable maps.
- Evidence supporting the determination that “Important Farmland,” including prime farmland, unique farmland, or farmland of statewide or local importance regulated under the FPPA does not occur on the project site.
- Documentation of all correspondence with NRCS, including the completed AD-1006 and a description of the consideration of alternatives and means to avoid impacts to Important Farmland.

Noise Abatement and Control

This area is covered by 24 CFR part 51. The compliance documentation must contain a statement that noise assessments will be prepared for any building involving substantial rehabilitation or replacement located within a noise sensitive area (1,000 feet of a street having 4 lanes of traffic, 3,000 feet of railroad, or 15 miles of a civilian or military airfield with more than 9,000 carrier operations annually). Projects that only involve minor rehabilitation will not require noise assessments, which should be referenced in the Compliance Documentation column. A noise handbook, which contains detailed instructions for the noise assessment, is available upon request from the OCD-LGA. The assessment is ONLY required for projects that are noise sensitive, such as places where people sleep or congregate.

[HUD Noise Abatement and Control Worksheet \(CEST\)](#)

[Assessment Resources](#)

[HUD Noise Abatement and Control Worksheet \(EA\)](#)

Explosive and Flammable Facilities

This area is covered by 24 CFR part 51 and is applicable to projects that involve development, construction, rehabilitation, modernization, or land use conversion of a property intended for residential, institutional, recreational, commercial, or industrial uses. If applicable, an Acceptable Separation Distance (ASD) must be

[HUD Explosive and Flammable Facilities Worksheet \(EA\)](#)

determined for properties within one mile of above-ground storage facilities containing explosive materials. It should be indicated in the Checklist's Compliance Documentation column that this will be accomplished for each property selected. If the property is not within the ASD, the Grantee must provide mitigating measures unless they are already in place. A copy of the Acceptable Separation Distance Guidebook and tools can be found on the HUD website.

[HUD Acceptable Separation Distance Guidebook](#)

[HUD Acceptable Separation Distance Assessment Tool](#)

Contamination and Toxic Substances

This area is covered by 24 CFR Part 50.3(i) and CFR 58.5(i)(2) and applies to projects at the CEST, EA, and EIS level, including those that are categorically excluded from NEPA review but subject to the related federal laws and authorities, all environmental assessments, and environmental impact statements.

[HUD Site Contamination Worksheet \(Single Family\)](#)

[HUD Site Contamination Worksheet \(Multi-Family\)](#)

"All property proposed for HUD program assistance shall be free of hazardous materials, contamination, toxic chemicals, gases and radioactive substances where the hazard could affect the health and safety of occupants or conflict with the intended utilization of the property."

The environmental review record should contain one of the following:

- Evidence the site is not contaminated: A report should be obtained from NETROnline <https://environmental.netronline.com/>. A Phase I Environmental Site Assessment is also required for all HVAC projects and may be needed if the results of the NERO search yields significant findings on any other project.
- Evidence supporting a determination the hazard will not affect health and safety of the occupants or conflict with the intended use of the site, including any mitigation measures used
- Documentation the site has been cleaned up according to EPA or state standards for residential properties, which requires a letter of "No Further Action" (NFA) required from the appropriate state department/agency, or a RAO letter from the LSRP

Considering Radon in the Environmental Review

It is HUD's policy that all properties that are being proposed for use in HUD programs be free of hazardous materials, contamination, toxic chemicals and gases, and radioactive substances, where a hazard could affect the health and safety of occupants or conflict with the intended utilization of the property.

[HUD CPD Notice CPD-23-103](#)

[24 CFR Part 58.5\(i\)](#)

As radon is a radioactive substance, the Grantee must consider it as part of the site contamination analysis for projects that:

- Require an environmental review at the level of Categorically Excluded Subject to 58.5 ("CEST"), Environmental Assessment, or Environmental Impact Statement; and
- Involve structures that are occupied or are intended to be occupied at least four (4) hours a day.

Exemptions from having to consider radon in the contamination analysis:

- Buildings with no enclosed areas having ground contact.

- Buildings containing crawlspaces, utility tunnels, or parking garages would not be exempt, however buildings built on piers would be exempt if there is open air between the lowest floor of the building and the ground.
- Buildings that are not residential and will not be occupied for more than 4 hours per day.
- Buildings with existing radon mitigation systems - document radon levels are below 4 pCi/L with test results dated within two years of submitting the application to OCD-LGA and document the system includes an ongoing maintenance plan that includes periodic testing to ensure the system continues to meet the current EPA recommended levels.

Buildings tested within five years of the submission of application to OCD-LGA: test results document indoor radon levels are below current the EPA's recommended action levels of 4.0 pCi/L. For buildings with test data older than five years, any new environmental review must include consideration of radon using one of the methods outlined in [Exhibit A-34](#).

NOTE: HUD's contamination policy does not apply to projects that are Exempt or Categorically Excluded Not Subject to 58.5 ("CENST").

Permits

If any compliance area of the Statutory Checklist involves a permit that is necessary to comply with other federal laws and authorities listed under section 58.5 or other requirements listed under 58.6, the permit must be included in the ERR's documentation. This includes permits such as coastal zone permits. If the U.S. Army Corps of Engineers requires a permit under section 404 of the Clean Water Act, HUD has determined that this permit is not required prior to completing the ERR since the Clean Water Act is not listed under the requirements of sections of 58.5 and 58.6. If the section 404 permit is required by the Corps of Engineers for the project, the permit must be obtained before beginning project construction.

Notice of Intent to Request Release of Funds (for Categorically Excluded Activities Subject to 58.5)

After the Statutory Checklist is complete and signed by both the preparer and the Chief Elected Official, all comments have been received, and the comment periods for the floodplain/wetlands notices have expired, the Grantee must then notify the public that the ERR has been completed and that the Grantee intends to request the release of funds from the State. The OCD-LGA requires the Grantee to submit the ERR documents for review prior to publishing this notice. The Grantee should **not** publish the notice until directed to do so by the OCD-LGA.

For Categorically Excluded projects, it is **ONLY** necessary to publish or post the Notice of Intent to Request Release of Funds ([Exhibit A-19](#)), not the Combined Notice. The Combined Notice is necessary for Environmental Assessment activities.

The Notice of Intent to Request Release of Funds informs interested parties that the Grantee intends to submit to the State a Request for Release of Funds and Certification ([Exhibit A-2](#)) no sooner than 7 full days after publication or 10 days after posting. The local comment period begins the day **AFTER** the notice is published or posted. For publication, the actual day to submit the request for funds to the State would be day 8. For posting, it would be day 11. The notice must give a projected date of not less than 15 days from receipt of the ERR by the State as the State's last day to receive objections or comments to the request for release of funds. **If the projected date for the State's 15-day comment period falls on a holiday or weekend, the date should be the next working day.**

Copies of the Notice of Intent, Request for Release of Funds and Certification, and public comments received must be included in the Environmental Review Record.

The following is an example of dates for the Notice of Intent to Request Release of Funds:

	Published	Posted
Notice of Intent Date	6/4/xx (7 days)	6/4/xx (10 days)
Date of Request for Release of Funds and Certification	6/12/xx	6/15/xx
Date ERR and request for funds mailed to State	6/12/xx	6/15/xx
ERR received by State	6/14/xx	6/17/xx
State's 15-day Public Comment Period	6/15/xx to 6/29/xx	6/18/xx to 7/2/xx

Completing the Environmental Assessment

When completing the Part 58 Environmental Assessment Form the Grantee must carefully address the narrative discussions in the assessment and include all relevant maps, site plans, photographs, budgets, etc. **Discussion must be specific to each project rather than using language that is generic in nature.**

A brief discussion of the purpose of the project and possible alternatives (e.g., the feasibility of the project, the reason the particular project design was chosen, etc.) should be included in the "Statement of Purpose and Need for the Proposal" section. The "Existing Conditions and Trends" section must contain a discussion of what the result would be if the project was not completed, as well as any other existing conditions of the area.

Following the assessment, the Grantee will determine if the project will significantly affect the quality of the environment and require the preparation of an Environmental Impact Statement (EIS).

Any mitigation actions or modification measures adopted by the Grantee to eliminate or minimize environmental impacts should be listed in the "Mitigation Measures and Conditions" section on the EA form.

The Part 58 Environmental Assessment Form provides the choices for determinations under each area of compliance. The source documentation must be as detailed as possible and address the topic as related to the project.

It is important that careful attention is given to each section for each project and generic language is not used in any of the sections. Each section must be answered even if the same information is included in other areas of the ERR.

Combined or Concurrent Notice (for Activities Requiring an Environmental Assessment)

When the Environmental Assessment Format has been completed and signed by the preparer and the Chief Elected Official, all comments have been received, and the comment periods for the floodplain/wetlands notices have expired, the Grantee must inform the public that it has determined that the project will not significantly affect the environment and that it intends to request the release of funds from the State.

The OCD-LGA requires the Grantee to submit the ERR documents for review prior to publishing this notice. The Grantee should *not* publish the notice until directed to do so. This notice ([Exhibit A-14](#)) is necessary for projects

requiring an Environmental Assessment. The notice combines the Notice of Finding of No Significant Impact (FONSI) and the Notice of Intent to Request Release of Funds (NOIRRF). The notice can be published or posted.

The Combined Notice identifies the project, gives the reason for the decision of no significant impact to the environment, invites public comment for a 15- or 18-day review period, notifies the public of the community's intent to request a release of funds, and includes a 15-day period for the State to receive public comments. After the first local public comment period (FONSI) has elapsed, the Request for Release of Funds and Certification, the Environmental Review Record, and any comments received may be submitted. The dates at the beginning of this notice should indicate the date of publication or posting, and the final date of the State's public comment period, not the final date of the FONSI's local public comment period.

The State's 15-day public comment period begins the day after the State receives the Request for Release of Funds and the ERR. If the projected date for the State's 15-day public comment period should fall on a holiday or a weekend, the projected date given in the notice should be the next working day.

The following is an example of dates and public comment periods for the Combined Notice:

	Publication Date	Posted Date
Combined Notice Date	6/4/xx (15 days)	6/4/xx (18 days)
Date of Request for Release of Funds and Certification	6/20/xx	6/23/xx
Date ERR and request for funds mailed to State	6/20/xx	6/23/xx
ERR received by State	6/22/xx	6/25/xx
State's 15-day Public Comment Period	6/23/xx to 7/7/xx	6/26/xx to 7/10/xx
Combined Notice Date	6/4/xx (15 days)	6/4/xx (18 days)
Date of Request for Release of Funds and Certification	6/20/xx	6/23/xx
Date ERR and request for funds mailed to State	6/20/xx	6/23/xx
ERR received by State	6/22/xx	6/25/xx
State's 15-day Public Comment Period	6/23/xx to 7/7/xx	6/26/xx to 7/10/xx

If published, the Combined Notice must be published in a general circulation newspaper and proof of publication must be included in the ERR. Proof of publication means that either the actual dated newspaper article or an original notarized copy of the published notice is provided. If posted, send a copy of the posted notice with documentation signed by the Chief Elected Official stating where the notice was posted and the dates of posting. The Combined Notice must also be distributed to appropriate tribal, local, state (**including the OCD-LGA**) and federal agencies, and particularly, to the national and regional offices of the Environmental Protection Agency and FEMA. Do **not** send a copy of the notice to the HUD Area Office in New Orleans. [Exhibit A-15](#) shows a sample Distribution List.

Request for Release of Funds and Certification

Any written comments received in response to the notices must be addressed and filed in the ERR.

This form shown in [Exhibit A-2](#) must be completed and submitted to the State following the final publications discussed above. **The form must be signed by the Chief Elected Official AFTER the end of the local public comment period required by either the Notice of Intent to Request Release of Funds or the Combined Notice, whichever is applicable to the project's ERR.** Also, as per HUD, the form must be shown on the front and back of a single sheet, not on two sheets of paper.

Once the State receives the ERR documentation and Request for Release of Funds and Certification form, the OCD-LGA will inform the Grantee that no objections to the release of grant funds were received by the OCD-LGA following the State's required 15-day public comment period. This letter will confirm whether the ERR cleared is site specific or project area based.

ERR AMENDMENTS

If the project site/location or scope of work changes from what was originally cleared, an amendment to the ERR is required and must be submitted to the OCD-LGA for review. If this is necessary, all areas of compliance must be reconsidered during this process and the Grantee must submit a Re-evaluation of Environmental Review Form ([Exhibit A-20](#)). If the project requires an Environmental Assessment and the determinations made are still valid and have not changed from the original ERR, the Grantee must only submit the revised ERR that includes the new determinations on the checklists. No further publication of a Finding of No Significant Impact is required. This includes projects that are expanding the project area that is contiguous to the original project area. However, if any of the determinations regarding the areas of compliance differ from the original ERR or if the project is amended to add a new activity or location, a new notice of Finding of No Significant Impact will be required.

For a Summary of Environmental Review Requirements, see [Exhibit A-21](#).

CONSTRUCTION MANAGEMENT

The Grantee is responsible for monitoring the construction of the LCDBG project to ensure that the contractor is operating in compliance with technical specifications and state and federal requirements, maintaining adequate cost and budget controls, and processing necessary contract changes to bring the contract to completion.

Upon receiving the Notice to Proceed, the contractor must submit a cost breakdown showing the amount assigned to each portion of the work. This breakdown is not required when per unit prices form the basis of payment under the contract. This breakdown must be reviewed by the Grantee and its architect/engineer and used as the basis for requests for payment discussed in section A. The breakdown should be submitted to the Grantee within 5-10 days of receipt of the Notice to Proceed.

During construction, the Grantee is responsible for monitoring equal opportunity and labor standards requirements as described in [Section B: Labor Compliance](#) and this section and for construction management. This may be done by the architect/engineer, and if so, should be included in the scope of services of the professional services contract. Construction management must include inspection and general supervision of construction to check the contractor's work for compliance with the drawings and specifications and quantity/quality control. Written inspection reports must accompany the contractor's requests for partial payment to the Grantee. Do not submit written inspection reports with Requests for Payments submitted to this office.

The architect/engineer shall furnish a Resident Project Representative (RPR), assistants, and other field staff to

assist the engineer in observing the progress and quality of the work. The RPR shall be under the architect/engineer's supervision and shall be a member of the architect/engineer's staff or a contract employee. In either case, the architect/engineer must attest to the RPR's qualifications and abilities to perform the appropriate duties and responsibilities. The Qualification Certification for Resident Project Representative ([Exhibit A-22](#)) must be completed and submitted to the OCD-LGA with a copy of the RPR's current resume showing their qualifications and work history before construction begins. As part of their duties, the RPR will prepare reports, each recording at a minimum the following information: project name, contractor's name, date, weather conditions, contractor's work force (indicating work classifications), equipment (in use or idled), quantities of items installed, deficiencies in materials or work, general observations, summary of construction activities, and the RPR's signature. Furnishing an RPR does not relieve the architect/engineer of the responsibility of making visits to the site at intervals appropriate to the various stages of construction.

Subtasks that are a part of construction management include the following:

General Supervision — must include monitoring construction to alert the Grantee of the need for adjustments in design as dictated by actual field conditions and the need for contract amendments. All contract amendments affecting alignment and detail or dimensions shown on drawings must include revised drawings.

Quality Control — must include quality tests as necessary to verify conformance with technical specifications concerning minimum quality requirements.

Quantity Control — must include verification of in-place quantities and other records reflecting an as-built facility.

Certification of Pay Estimates — must include inspection reports and copies of field measurement notes. Test results used to verify contractor's periodic pay estimates for partial payments should be attached to and filed with the periodic estimate for partial payment.

General — construction management may involve other responsibilities including, but not limited to, providing benchmarks and baselines to be used by the contractor in staking the construction project, review and approval of shop drawings, and project coordination.

Upon receipt of requests for partial payment and necessary documentation, the Grantee must check equal opportunity and labor standards compliance files to ensure that all payrolls have been received and reviewed, any restitution has been paid, employee interviews have been conducted, and all discrepancies have been corrected or resolved.

RESIDENT PROJECT REPRESENTATIVE CERTIFICATION

Every project requires at least one certified Resident Project Representative. Grantees must submit the Qualification Certification for Resident Project Representative ([Exhibit A-22](#)) and a copy of the Resident Project Representative's current resume showing qualifications and work history to the OCD-LGA. If approved, the OCD-LGA will send the approved Certification back to the Engineering Consultant.

To streamline the process, OCD-LGA has established a qualified Resident Project Representative (RPR) database. The database will be established so that the Engineering Consultant will only need to be qualified once as a Resident Project Representative for the CDBG program.

When the grant is monitored, the monitoring team will check to see that the RPR signing the inspection reports is on the qualified RPR for the list for the grants Engineering Consultant.

- It will be a monitoring finding if someone is signing inspection reports that is not on the qualified RPR list.
- It will be a monitoring finding if the RPR was not qualified before the start of construction.

CHANGE ORDERS

In accordance with the Louisiana Public Bid Law, all change orders must be in writing. Change orders must be prepared and recommended by the architect/engineer. Each change order must be accompanied by a supporting statement which describes why the proposed change is deemed necessary. **Preliminary (unexecuted) change orders, containing the dated signatures of the architect/engineer and the contractor but not the public entity, must be reviewed by the OCD-LGA to determine the impact of the change on the eligibility of the project and the extent of financial participation eligible through the LCDBG program.**

[Louisiana Public Bid Law](#)

Once this determination has been made the local entity and the architect/engineer will be informed. If the change order is approved by this office, the local entity may then execute the change order. **The fully executed change order will contain the dated signatures of the architect/engineer, contractor, and local entity. A copy of the fully executed change order must be submitted to the OCD-LGA as soon as possible after execution.**

INSPECTING AND ACCEPTING THE WORK, CLOSING OUT THE PROJECT, AND MAKING FINAL PAYMENT

In accordance with [LRS 38:2248](#), a maximum of ten percent (10%) retainage on construction contracts which are less than \$500,000 and a maximum of five percent (5%) retainage on construction contracts which are \$500,000 or more can be retained by the Grantee.

When construction work has been completed, the contractor must certify completion of work and submit a final request for payment. The architect/engineer must make the final inspection and prepare a written report of the inspection prior to issuance of final payment, less retainage. The inspection report may or may not include a punch list of items to be completed by the contractor prior to the issuance of acceptance of work. If the project involved the construction of a building, the Office of the State Fire Marshal, Code Enforcement, and Building Safety must issue a Certification of Occupancy.

Before making final payment (less retainage), ensure that the following requirements are met:

- All weekly payrolls and Statements of Compliance have been received, checked, and any discrepancies resolved.
- All discrepancies identified via on-site interviews have been resolved.
- All other required equal opportunity and labor standards provisions have been satisfied.
- All contract submissions have been received.
- All claims and disputes involving the contractor have been resolved.
- All files are complete.
- As-built plans have been filed.

A Final Wage Compliance Report (included in [Exhibit E-6](#)) must be prepared, submitted to the State with closeout documents, and a copy placed in the Labor Standards Compliance file.

The contractor must file the “Notice of Substantial Completion” at the parish Clerk of Court’s office. After 45 days from the filing of the Substantial Completion and upon submission of a clear lien certificate by the contractor, the retainage can be paid to the contractor. If any claims or liens remain after the 45-day lien period, the Grantee must take appropriate action for disposition of the retainage and all claims against the bonds in accordance with state law.

A comprehensive Construction Contract Checklist is included as [Exhibit A-23](#).

CIVIL RIGHTS

Each grantee of LCDBG funds must comply with the fair housing and civil rights laws and requirements contained in the contract for financial assistance and local assurances. By agreeing to these provisions, the grantee has certified that its project will be designed and administered in a non-discriminatory manner. Fair housing and civil rights laws impact many aspects of LCDBG projects. Nondiscrimination must be shown with relation to any benefits created with a grantee’s public facilities projects. In addition, the grantee will be expected to show that the community in general is committed to nondiscrimination, equal opportunity, and affirmative action.

Grantees are responsible for meeting all applicable civil rights laws and requirements such as equal opportunity, accessibility, and fair housing, .

EQUAL OPPORTUNITY REQUIREMENTS

Grantees are responsible for meeting equal opportunity requirements as follows:

- Complying with Title VI of the Civil Rights Act of 1964 which provides that no person in the United States shall on the grounds of race, color, or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives federal financial assistance.

[Title VI of the Civil Rights Act of 1964](#)
- Complying with Title VIII of the Civil Rights Act of 1968 (the Fair Housing Act), and Executive Order 11063 which prohibit discrimination against any person in the sale or rental of housing, or the provision of brokerage services, including in any way making unavailable or denying a dwelling to any person, because of race, color, religion, sex, national origin, handicap, or familial status.

[Title VIII of the Civil Rights Act of 1968](#)
[Executive Order 11063](#)
- Complying with Section 109 of the Housing and Community Development Act of 1974. This provides that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds provided under the Act. Section 109 further prohibits discrimination based on age under the Age Discrimination Act of 1975 and based on handicap under Section 504 of the Rehabilitation Act of 1973, as amended.

[Section 109 of the Housing and Community Development Act of 1974](#)
- Complying with the provisions of the Age Discrimination Act of 1975 which prohibits discrimination on the basis of age in the delivery of services and benefits supported by federal funds.

[Age Discrimination Act of 1975](#)

- Complying with the provisions of 24 CFR 570.490(b) by maintaining equal opportunity and other records.

[24 CFR 570.490\(b\)](#)

ACCESSIBILITY REQUIREMENTS

- Complying with accessibility requirements of the Fair Housing Act, Americans with Disabilities Act (ADA), Architectural Barriers Act of 1968, and Section 504 of the Rehabilitation Act of 1973 (Section 504). Collectively, the accessibility laws and implementing regulations prohibit discrimination based on disability and establish requirements for physical accessibility in connection with federally funded housing and non-housing activities. Discrimination includes a failure to design and construct facilities that are readily accessible to and usable by individuals with disabilities. Section 504 provides that no otherwise qualified individual shall, solely by reason of their disability, be excluded from participation in (including employment), denied program benefits, or subjected to discrimination under any program or activity receiving federal funding assistance.

[Fair Housing Act](#)
[Americans with Disabilities Act \(ADA\)](#)
[Architectural Barriers Act of 1968](#)
[Section 504 of the Rehabilitation Act of 1973](#)

To assure compliance, a recordkeeping and reporting system should include the following:

- Minority Business participation efforts
- Project Benefit to Population Groups
- Grantee Employment Records (See City/Parish Employment form, [Exhibit A-24](#), or utilize an EEO4 form)
- Fair Housing Activities
- Section 504 compliance
- Limited English Proficiency efforts
- Documentation of Affirmative Action measures—if required (based on past findings of discrimination)
- Displacement Activities (if applicable)

Minority Business Enterprise

Federal procurement regulations require that Grantees take affirmative action to contract with small and minority-owned firms or women's business enterprises in the administration of the LCDBG project. Some affirmative action steps include, but are not limited to, the following:

[24 CFR 200.321](#)

- Adding qualified small and minority-owned enterprises and women's business enterprises to solicitation lists.
- Assuring that small and minority-owned enterprises and women's business enterprises are solicited whenever they are potential sources.
- Dividing total requirements into smaller tasks or quantities to permit maximum participation by small and minority-owned enterprises and women's business enterprises when economically feasible.
- Establishing delivery schedules that will encourage participation by small and minority-owned businesses and women's business enterprises where the requirements permit.

- Using the services and assistance of the Small Business Administration as necessary.
- Requiring the prime contractor to take the above affirmative steps if any subcontracts are to be let.

One of the reporting requirements relative to minority contracting is the annual submission of the Contract and Subcontract Activity Form ([Exhibit A-25](#)) for construction and non-construction contracts and subcontracts. This report is due by the end of September each year for the grant period. The Grantee will only report new contracts which have been let from October 1 through September 30 each year and those that have not previously been reported. If the grant closes prior to the deadline, a report must be submitted with closeout documents **if and only if** there is a contract to report that **was not** previously reported

When advertising for bids for construction or requesting Qualification Statements/Proposals for administration and planning, encourage minority participation in newspaper advertisements for services being procured. Proof of affirmative action taken to hire minorities is required.

Maintain Project Benefit Records

As part of the LCDBG application, statistical information was submitted on the proposed persons benefiting from the proposed project. This information must be maintained and updated throughout the implementation of the project as it is necessary both in proving compliance with civil rights laws relative to non-discrimination and in meeting closeout requirements of providing data on actual beneficiaries. Direct benefit requires completion of a personal record (housing rehabilitation, utility assistance) to receive the benefit. Indirect benefit is available to all residents in the area where the project is taking place (residential street improvements, water treatment plant).

Additionally, Grantees are required to keep a list of all applicants and their demographic information for all direct benefit activities, (e.g., applicants for water and sewer hook-ups. This information will be submitted as part of the closeout procedures of the program.

Maintain Local Government Employment Records

Each local government participating in the LCDBG program must maintain employment records that include the composition of their staff. [Exhibit A-24](#), City/Parish Employment form, is provided to assist in keeping track of this information. Additionally, personnel policies should clearly outline hiring, training, and promotional procedures. The local government should develop an employment policy that contains a non-discrimination clause assuring that all persons will be treated equally in employment opportunities. An Equal Employment Opportunity poster must be displayed in a prominent place in the Grantee's office. This and other posters may be found on the U.S. Equal Opportunity Commission website.

[Equal Opportunity Posters](#)

Preparing Contract Documents to Meet Equal Opportunity Requirements

Equal employment opportunity requirements ensure that applicants for employment and employees are not discriminated against because of their race, color, religion, sex or national origin.

The Grantee must ensure that all contracts comply with equal opportunity requirements by: including all applicable equal opportunity language in the bid specifications and contract documents; verifying contractor eligibility; securing required documentation; monitoring compliance; and maintaining appropriate files.

The equal opportunity provisions and contractor certifications for inclusion in the bid documents are shown in the Contract Documents Guide, [Exhibit D-2](#), and include the following:

- Special Equal Opportunity Provisions
 - Activities and contracts not subject to Executive Order 11246, as amended –Contracts/subcontracts less than or equal to \$10,000
 - Executive Order 11246 – Contracts/subcontracts exceeding \$10,000.
 - Section 202 Equal Opportunity Clause
 - Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity – If contract/subcontract exceeds \$10,000
 - Standard Federal Equal Employment Opportunity Construction Contract Specifications – If contract/subcontract exceeds \$10,000
 - Certification of Non-Segregated Facilities – (included in Section 3 Assurances)

These provisions must be included in all bid and contract documents, especially the Standard Federal Equal Employment Opportunity Construction Contract Specifications. These specifications include a place to insert minority and female participation goals. The nationwide goal for female participation is 6.9 percent. Minority goals are specific to Metropolitan Statistical Areas (MSA) and "Economic Areas;" therefore, the Grantee must refer to the regulations for the minority goal for its locality. Minority employment goals for economic areas in Louisiana are included in [Exhibit A-26](#) (Minority Participation Goals). These goals and contract specifications make written affirmative action plans unnecessary unless the U.S. Department of Labor determines a specific contractor or group of contractors needs to establish higher goals in order to remedy the effects of past discriminatory behavior.

These goals apply to each construction craft and trade in the contractor's entire workforce that is working in an area covered by the goals and timetables and not only those jobs that are LCDBG-assisted. A contractor with an LCDBG contract in MSA X and a non-CDBG assisted contract in MSA Y must meet MSA goals for the workforce in both MSA X and MSA Y, even though that contract is not LCDBG-assisted.

A copy of [Exhibit D-22](#), Commonly Asked Questions Concerning Equal Opportunity, should be distributed to and discussed with the contractor either during a preconstruction conference, or through another method to advise the contractor of their responsibilities.

In addition, the Grantee must visit the construction site (usually in conjunction with employee interviews for labor standards compliance) to ensure the project site is posted with required equal opportunity notices (see [Section B: Labor Compliance](#), of this handbook for additional information). The results of each visit must be noted in the contract compliance file.

The Grantee is also responsible for monitoring each contractor during the course of work to determine compliance with the Standard Federal Equal Employment Opportunity Construction Contract Specifications (Executive Order 11246) contained in the contract.

At project completion, the equal opportunity compliance documentation in the contract compliance file must contain the following items:

- A copy of the construction contract with all applicable equal opportunity provisions.
- Evidence that the contractor established their own equal opportunity file.

- Records of any equal opportunity complaints and actions taken.
- Any correspondence concerning the contractor's equal opportunity compliance.
- Verification of contractor eligibility, cross-referenced with the labor standards compliance file.
- A preconstruction conference report, if applicable, cross-referenced with the labor standards compliance file.
- Site visit reports indicating that the equal opportunity poster was displayed on site and that the contractor complied with equal opportunity provisions, cross-referenced from labor standards compliance file.
- Documentation of any equal opportunity problems uncovered in employee interviews and evidence of resolution.

VIOLENCE AGAINST WOMEN ACT

The Violence Against Women Act (VAWA) Reauthorization of 2022, effective October 1, 2022, includes a new requirement for U.S. Department of Housing and Urban Development (HUD) recipients to support an individual's right to seek law enforcement or emergency assistance. All CDBG grantees are required to report on the existence of laws or policies adopted that impose penalties based on requests for law enforcement or emergency assistance or based on criminal activity that occurred at a covered property.

Examples of Laws that violate VAWA are:

- Nuisance property ordinances that include fines for an “excessive” number of calls for emergency or ambulance services and/or incidents of domestic violence.
- Laws that lack exceptions for cases where the resident or tenant is a survivor of domestic violence or another crime, or for calls for emergency assistance by persons with disabilities.
- Laws that do not specify domestic violence as a nuisance but still penalize survivors due to having a broad definition of “nuisance activities” (e.g., disturbing the peace, excessive noise, disorderly conduct, or “excessive” calls to emergency services).
- Laws that require or encourage denial of an applicant with any criminal record, including arrests or misdemeanors.

ALL CDBG Grantees must review all ordinances, local regulations, and policies adopted by the local government and currently in effect and certify compliance with the Violence Against Women Reauthorization Act of 2022. ([Exhibit A-27](#)) If any policies are identified they must be re-evaluated and addressed within the grant agreement period. A summary of efforts to evaluate alternative policies that do not impede the Right to Report Crime and Emergencies from One's Home and a timeline for action on one or more alternatives must be submitted.

The summary and timeline for implementation of alternative policies must be submitted with the certification to OCD-LGA for review and approval to clear contract conditions.

AFFIRMATIVELY FURTHERING FAIR HOUSING

The Federal Fair Housing Law provides that “...no person shall be subjected to discrimination because of race, color, religion, sex, handicap, familial status, or national origin in the sale, rental, or advertising of dwellings, in the provision of

[24 CFR 100.5](#)

[Louisiana 2020 Analysis
of Impediments to Fair
Housing Choice](#)

brokerage services, or in the availability of residential real estate-related transactions including lenders, builders, and homeowners' insurance companies".

- **Impediments** are defined as any actions, omissions, or decisions taken because of race, color, religion, sex, handicap, familial status, or national origin that restricts housing choices or the availability of housing choices.
- **Fair Housing Choice** is defined as the ability of persons—regardless of race, color, religion, sex, handicap, familial status, or national origin—of similar income levels to have available to them the same housing choices.

As a recipient of CDBG funds, Grantees are required to administer all programs and activities related to housing and community development in a manner to affirmatively further the policies of the Fair Housing Act.

[42 USC 3608\(e\)\(5\)](#)

[E.O. 12259\(1-202\)](#)

[24 CFR 570.601](#)

LCDBG Grantees are required to further fair housing efforts by 1) adopting a Fair Housing Resolution or Ordinance, 2) ensuring the placement of fair housing posters in conspicuous locations of public buildings, including municipal offices, and 3) conducting an assessment to identify **impediments to fair housing choice** within

[HUD Fair Housing Logos](#)

its jurisdiction, taking appropriate actions to overcome the effects of any impediments identified through that assessment, and maintaining records reflecting the assessment and actions in this regard.

A good assessment will reflect a comprehensive review of policies, practices, and procedures that affect the location, availability, and accessibility of housing choices. The State has developed a Fair Housing Assessment that identifies six areas that should be reviewed. This assessment, complete with instructions and examples, is provided as [Exhibit A-28](#). Upon completing the assessment, the grantee should address Fair Housing efforts in the areas determined most critical. **The assessment must be signed by both the CEO and the preparer.** The State will review the Fair Housing Assessment as part of its monitoring of the Grantee, who will maintain a copy in its local records.

In addition, each Grantee must conduct at least one Fair Housing activity during the grant period and maintain documentation that the activity has been completed. **Posting of the Fair Housing Flyer does not satisfy compliance.** This documentation must be available when this office conducts its on-site monitoring.

[24 CFR 570.487\(b\)](#)

The documentation must identify the type of Fair Housing activity that was or will be conducted (community seminar, brochure distribution, etc.), the target

[24 CFR 570.601\(a\)\(2\)](#)

audience (the general public, real estate brokers, etc.), and the category of Fair Housing information provided. [Exhibit A-29](#) offers suggestions of activities that can be undertaken which will be determined to "further Fair Housing" and includes a sample Utility Bill Stuffer and a Fair Housing flyer. As a prerequisite for performing various Fair Housing activities, Grantees must be aware of the different possible infractions that constitute discriminatory conduct. This list of regulations that categorize and explain the different types of discriminatory conduct under federal law and provides contact information in the event a person feels they have been discriminated against is also included in [Exhibit A-29](#).

FAIR HOUSING MARKETING PLAN

Affirmative fair housing marketing plans (AFHMP) must be developed and implemented for all CDBG-assisted housing programs with five or more units. An AFHMP is a marketing and outreach plan that housing providers

use to strategize how they will target outreach to minority groups in their local community that are least likely to apply for housing opportunities. Requirements and procedures must include:

- Methods for informing the public, owners and potential tenants about fair housing laws and the Grantee's policies (for example, use of the Fair Housing logo or equal opportunity language);
- A description of what owners and/or the grantee will do to affirmatively market housing assisted with CDBG funds;
- A description of what owners and/or the grantee will do to inform persons not likely to apply for housing without special outreach;
- Maintenance of records to document actions taken to affirmatively market CDBG-assisted units and to assess marketing effectiveness; and
- Description of how efforts will be assessed and what corrective actions will be taken where requirements are not met.

SECTION 504 REQUIREMENTS

Grantees are required to comply with Section 504 of the Rehabilitation Act of 1973, as amended. Section 504 provides that "no otherwise qualified individual with handicaps in the United States shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance."

[29 USC 794](#)

Compliance with the provisions of Section 504 requires that Grantees shall implement each program or activity receiving federal financial assistance so that the program or activity, when viewed in its entirety, is readily accessible to and usable by individuals with disabilities.

Grantee Assurance

Each Grantee shall certify that the LCDBG program will be operated in compliance with Section 504 requirements on the executed Statement of Assurances. This assurance obligates the Grantee for the period during which federal financial assistance is extended.

[24 CFR 8.4](#)

Self-Evaluation

Each Grantee shall have completed a self-evaluation of current policies and practices with respect to communications, employment, and program/physical accessibility to determine whether, in whole or in part, they do not or may not meet the requirements of being accessible to individuals with disabilities. The self-evaluation will have been completed within six months of receipt of any grant award after July 1988.

The self-evaluation shall designate all buildings and structures as "new" or "existing," depending on whether the building was constructed or altered after July 1988. The self-evaluation shall determine whether buildings and structures that house programs and services for the public can be approached, entered, and used by persons with disabilities. At a minimum, the following items should be addressed in the self-evaluation: Parking – Spaces, Curbs, Ramps; Routes and Pathways – Slopes, Levels, Ramps, Notices; Entrance Ways – Widths and Heights; Interiors

Door Grasp, Pressure, Pathways, Elevators; Service – Counter Heights, Notices; and Auxiliary Services – Telephones, Restrooms, Drinking Fountains.

Each Grantee shall modify any policies and practices that do not meet the requirements for program accessibility. Compliance with 504 does not necessarily require a Grantee to make each of its existing facilities accessible to and usable by individuals with disabilities. It also does not require a Grantee to take any action that would result in a demonstrable fundamental alteration in the nature of its program or activity or in undue financial and administrative burdens.

A Grantee may comply with the requirements of this section in its programs and activities receiving federal financial assistance through such means as relocation of programs, assignment of aids to beneficiaries, home visits, or any other method that results in making its program or activity accessible to individuals with disabilities. A Grantee is not required to make structural changes in existing facilities where other methods are effective in achieving compliance with this section (24 CFR 8.21(i)). If structural changes are necessary, the Grantee must develop a transition plan (see below).

NOTE: If a Grantee has been the recipient of prior LCDBG funds and has a completed self-evaluation and, if applicable, a transition plan as mentioned above, the three-year time period for completing the construction activities specified in a transition plan for most Grantees has expired. For “existing” buildings and facilities that house programs and services for the public and are not accessible, the Grantee must have adopted policies and/or modified practices to achieve accessibility. Prior Grantees should prepare a summary of their past compliance activities. The summary will be reviewed at the time the grant is monitored. A sample can be found in [Exhibit A-30](#) (Summary of Actions Taken to Achieve Compliance with Section 504) of this handbook.

Visual and Hearing Impairments

Each Grantee must ensure that members of the population eligible to be served or likely to be affected directly by a federally assisted program who have visual, or hearing impairments are provided with the information necessary to understand and participate in the program. Methods for ensuring participation include, but are not limited to, qualified sign language and oral interpreters, readers, or the use of taped and Braille materials.

The regulation requires that each Grantee must have available a TDD or equally effective method for communicating with hearing impaired persons. Louisiana has an approved relay service that may be utilized.

In order to utilize the relay system, the Grantee must have a policy indicating the use of the relay system by the Grantee and publish the telephone numbers in the newspaper within six months of the date of the “Authorization to Incur Costs” letter ([Exhibit A-1](#)).

The numbers are: **TDD Users 1-800-846-5277**, and **Voice Users 1-800-947-5277**. This service is free of charge. The number “711” has been approved by the FCC for use in contacting the relay service. This number works from both TDD and voice telephones and while it is applicable in most states, Grantees are still required to list the “800” numbers presented above.

Note: The “Summary of Actions to Achieve Compliance with Section 504” must contain three sections: physical accessibility, communications, and employment. Also, the grantee must re-submit the required assurance previously described to the OCD-LGA.

Transition Plan

If structural changes to non-housing facilities will be undertaken to achieve program accessibility (see notes below), a recipient shall develop a transition plan with the assistance of interested persons, including disabled individuals or organizations representing disabled individuals, for those areas which cannot be made accessible administratively. The construction activities identified in the transition plan must have been/must be completed within three years of completion of the self- evaluation that was conducted within six months of the first grant award made after July 1988 (see above).

[24 CFR 8.21\(4\)](#)

[24 CFR 8.21\(c\)\(3\)](#)

The transition plan must be made available for public inspection, and at a minimum, it shall:

- 1) identify all physical obstacles that limit the accessibility of programs and activities to individuals with disabilities;
- 2) describe in detail the method to be used in making the facility accessible;
- 3) set forth a schedule for completion of the modifications (if the schedule exceeds one year, then the Grantee must identify the actions to be taken during each year of the transition period);
- 4) identify the individual responsible for implementation of the plan; and
- 5) identify the persons or groups with whose assistance the plan was prepared.

NOTE: Unless a previously funded grantee has recently acquired a facility that was constructed prior to 1988 that will house programs and services available to the public and intends to make physical alterations to this facility, the three-year construction period for meeting the accessibility requirement for existing facilities under this regulation will have expired. New non-housing facilities (designed, constructed, or altered after July 11, 1988) shall be designed and constructed to be readily accessible to and usable by individuals with disabilities (24 CFR 8.32).

Requirements for Grantees Employing 15 or More Persons

- A responsible employee must be designated to coordinate the community's efforts to comply with Section 504.
- The community must adopt by resolution grievance procedures that incorporate appropriate due process standards and that provide for the prompt and equitable resolution of complaints alleging any action prohibited by this part. Such procedures need not be established with respect to complaints from applicants for employment or from applicants for admission to housing covered by this part.
- The Grantee shall take appropriate initial and continuing steps to notify “participants, beneficiaries, applicants, and employees, including those with impaired vision or hearing, and unions or professional organizations holding collective bargaining or professional agreements with the Grantee” that it does not discriminate on the basis of disability in violation of this part. **(The notice must contain this specific language.)** The notification shall state, where appropriate, that the Grantee does not discriminate in admission or access to, or treatment or employment in, its federally assisted programs and activities. The notification shall also include an identification of the responsible employee designated above.

A Grantee shall make the initial notification required by this paragraph within 90 days of receipt of the executed contract with the State for each new grant. Methods of initial and continuing notification may include the posting of notices, publication in newspapers and magazines, placement of notices in recipients' publications, and distribution of memoranda or other written communications.

- The Grantee must maintain a file, make available for public inspection, and provide the following to the responsible civil rights official upon request:
 1. a list of the interested persons consulted;
 2. a description of areas examined in the self-evaluation and any problems identified; and
 3. a description of any modifications made and/or any remedial steps taken.

Section 504 Recordkeeping

Each Grantee must maintain data for the State showing the extent to which individuals with disabilities are beneficiaries of federally assisted programs.

LIMITED ENGLISH PROFICIENCY

All Grantees will be required to complete and adopt a Language Access Plan (LAP) for Limited English Proficiency (LEP) Persons, as required by Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000(d) and Executive Order 13166 which states that recipients of federal funds take responsible steps to ensure meaningful access by persons with Limited English Proficiency.

[HUD Limited English Proficiency FAQ](#)

In preparing this LAP, Grantees must conduct a four-factor analysis, considering (1) the number or proportion of LEP persons eligible to be served or likely to be encountered by the Grantee or its federally funded programs, (2) frequency with which LEP persons come into contact with the Grantee's programs, (3) nature and importance of the program, activity, or service to people's lives, and (4) resources available and costs.

This plan must be adopted within one year of the "Authorization to Incur Costs" letter and reviewed/updated on an annual basis to ensure continued responsiveness to community needs.

Depending upon the size of a particular language group, translation of "vital" documents may become necessary. These requirements are outlined under the topics: "What is a vital document?" and "What is a safe harbor?" on the LEP.gov Frequently Asked Questions page.

[LEP FAQ's](#)

The Office of Community Development's LAP is found in [Exhibit A-31](#), which can be used as a sample. The federal LEP website has resources available to help formulate the LAP, including links to I-Speak Cards. More information can be found on the HUD language access webpage.

[LEP.gov](#)
[HUD Limited English Proficiency Webpage](#)

The Grantee should utilize Table S1601, provided by the U.S. Census Bureau's American Community Survey, to find the data at the Parish or the City/Town/Village level.

[U.S. Census Bureau American Community Survey \(Table S1601\)](#)

ANTI-DISPLACEMENT

All grantees are required to adopt a Residential Anti-Displacement and Relocation Assistance Plan and Certification before any funds can be dispersed to that grantee. Please refer to [Section C: Acquisition/Anti-Displacement/Relocation, Residential Anti-Displacement and Relocation Assistance Plan](#),” of this handbook for more information on this requirement.

PROGRAM CHANGES AND AMENDMENTS

The State approved the grantee’s application based upon the specific purpose of, and items included in, the project description and cost estimate. Deviations from those items require written approval from this office; failure to receive that approval could result in disallowed costs. This approval must be obtained **prior** to the bidding process and/or implementation of the change.

PROGRAM CHANGES

Some changes that become necessary for project implementation do not involve a change in scope of work or number of project beneficiaries and may not require a full program amendment. These program changes generally must be requested in writing by the grantee.

The request should describe the intended change to the project, and statements regarding whether the change will affect the intent/scope of the project, number of project beneficiaries, and the Environmental Review Record. Upon receipt of the request, this office may ask for additional information in order to make a determination to approve or disapprove the request.

PROGRAM AMENDMENTS

Single changes or cumulative changes in the program budget greater than 10 percent (10%) of the grant award amount, changes that result in the deletion or addition of an activity or item, and changes to the scope of work or that would affect the original rating of the application require prior state approval. This approval must be requested through the submittal of a Request for Program Amendment, [Exhibit A-32](#). Detailed instructions are included in the exhibit. A public hearing regarding the proposed amendment must be held prior to submitting the request to the State.

Documentation of the hearing (notice of hearing and minutes) must be submitted to the State with the Request for Program Amendment.

However, if the project only requires the addition or deletion of the acquisition activity, a public hearing will **NOT** be required.

If all of the approved activities and items in the approved cost estimate have been completed and there are LCDBG funds remaining due to cost under-runs, the use of those funds is subject to prior approval from the OCD-LGA. Any changes that are not necessary to complete the originally approved project and/or require an amendment to the originally approved ERR will not be considered.

Expansions must generally be contiguous to the original target area. The overall project must still primarily benefit low-to-moderate income persons. The scope and intent of expansion must be in keeping with the scope and intent of the originally funded application.

Major reductions in the scope of proposed work could result in adverse state action—grant reduction, termination, or a finding of ineligibility for future funding. Grantees are selected for funding based on their proposed program and are expected to complete the program as proposed.

Grantees should contact the OCD-LGA if problems emerge which might lead to program modifications. Early notification of potential problems will permit all parties to resolve them when possible.

The OCD-LGA will review all requests for an amendment very carefully to determine how the proposed change relates to the approved project. In making that determination, the OCD-LGA will ascertain as to whether or not the proposed change is an integral part of the originally approved project and is necessary to complete the project. The OCD-LGA will also review the site location of the proposed change in relation to the originally approved target area.

Program amendment requests that will result in the deletion or addition of an activity or a reduction or expansion in the project's scope of work will be evaluated to determine whether the project would have been funded based on the data proposed in the amendment. If the project would not have been fundable based on the proposed changes, the amendment will not be approved.

Any LCDBG funds remaining in the program following issuance of a conditional closeout will revert to the State for use in other communities.

NOTE: Amendments to the approved program can neither be requested nor approved through the submittal of engineering change orders.

CONFLICT OF INTEREST

CDBG regulations at [24 CFR §570.611](#) and [24 CFR §570.489\(h\)](#) require that any conflicts of interest on CDBG projects be disclosed. These requirements apply to:

- procurement of supplies, equipment, construction services and professional services,
- the acquisition or disposition of real property, and
- providing direct benefits to municipal officials, subrecipient officials, or persons administering the CDBG project.

Federal and state guidelines stipulate that no person who performs any CDBG function or who has any CDBG responsibility, who is in a decision-making position, or who has inside information may obtain a financial interest or benefit from an activity funded in whole or in part with CDBG funds.

In certain circumstances, OCD-LGA may grant an exception to a conflict of interest, upon request, if specific criteria are met:

1. A disclosure of the nature of the conflict, including an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made.
2. A legal opinion (from local Counsel) is submitted stating that the potential for conflict of interest is minimal, and that the situation does not violate either local or state conflict statutes or rulings.

3. The person applying for the waiver meets other program requirements. For example, low/moderate income guidelines for housing rehabilitation.
4. The person applying for the waiver is not in a decision-making position in the CDBG Program, either with the local government or subrecipient.
5. The local government must certify the above and demonstrate that a system has been established to guarantee that no preferential treatment to the applicant has occurred. This might require a numbered and dated system for accepting and processing applications, for example.
6. Finally, the local government must submit a formal request to OCD-LGA seeking a waiver of conflict-of-interest requirements based on the above criteria. The waiver request should describe the circumstances for all five elements above. See [Exhibit A-33](#) Request for Exception to Conflict-of-Interest Form.

After review of the supporting documentation, if OCD-LGA agrees that the potential for conflict of interest is minimal and if the applicant meets the above criteria for a waiver, OCD-LGA will issue an approval.

RECORDKEEPING AND REPORTING

Grantees must document full compliance with all applicable regulations of the LCDBG program. This can be accomplished through careful attention in maintaining adequate records and submitting required reports. LCDBG records must be maintained for a period of three years after the State closes the CDBG grant year, from which funds were awarded, with HUD. The State will notify the grantee of the date its grant records can be destroyed. The filing system established to keep these records should be easy to use while providing a historical account of all activities for examination and review by the State, auditors, and local staff. The filing system should be established on a grant award (project) basis. LCDBG files must be maintained in a central location. The checklist below is a sample of the major file categories to be maintained and a listing of materials that should be kept in each file. This list is not all inclusive. **Although a grant consultant may maintain a set of files in their office, the local government is required to maintain the original files in the Town Hall/Courthouse. The local government files will be used by OCD-LGA to audit compliance during the on-site visit conducted by OCD-LGA during the grant period.**

[24 CFR 570.490\(b\)](#)

[24 CFR 570.490\(c\)](#)

[24 CFR 570.490\(d\)](#)

[2 CFR 200.334](#)

[HUD Model Recordkeeping Requirements](#)

Application

- Application
- Correspondence relating to the application
- Requests for program amendments/program changes and State's response

Contract Agreement

- Letter from the State awarding grant
- Contract Agreement
- Notice of Removal of Contract Conditions and Release of Funds form or letter from the State stating that the contract conditions have been removed
- Records of correspondence concerning other contract conditions [Financial Management](#)
- Electronic Funds Transfer Enrollment Form

- Authorized Signature Form
- Financial Management Questionnaire (mailed with Application Revision letter)
- Requests for Payment
- Accounting books of original and final entry (Chart of Accounts, General Journal, Monthly Financial Statements, General Ledger)
- Record of commitment of other funds
- Source documentation (contracts, purchase orders, vouchers, invoices, requests for partial payment, etc.)
- Canceled checks, EFT records, monthly bank statements, etc.
- City/Parish Code of Ethics
- City/Parish audits

Environmental Review Record

- Finding of Exemption (if applicable)
- Finding of Categorical Exclusion (if applicable)
- Statutory Checklist and Worksheet (if applicable)
- Project description
- Environmental Assessment/Checklist (if applicable)
- ERR Project Map with boundaries marked
- Floodplain Map
- Wetlands Map (if applicable)
- Coastal Zone Barrier Map
- Coastal Zone Map
- Wild and Scenic Rivers Map
- Airport Map
- Sole Source Aquifer Map
- Environmental Justice Map
- Memorandum by responsible entity regarding endangered species
- Floodplain/Wetlands Notices/Eight-step documentation (if applicable)
- US Corps of Engineers letters (to and from / if applicable)
- State Historic Preservation letters (to and from)
- Indian Tribe letters (to and from)
- Farmland Conversion Impact Rating form (if applicable)
- Notice of Intent to Request Release of Funds **OR** Combined Notice of Finding of No Significant Impact and of Intent to Request a Release of Grant Funds
- Notice of FONSI distribution list
- Request for Release of Funds and Certification

- All letters related to ERR
- Any required permits

Procurement

- Adopted procurement policy
- All professional services contracts (technical assistance, engineering, administrative, legal, audit, appraisal, et cetera)
- Methods and procedures for selection of professional services
- Qualification statements and proposals received
- Written review and evaluation of statements and proposals received
- Negotiation methodologies
- Cost and price detail summaries
- Amendments to contracts (if applicable)
- Evidence of City/Parish's attempt to identify and solicit minority contractors and vendors and documentation to support "good faith effort"
- Special studies, surveys, investigations, test results, etc.
- Preliminary design and cost estimates
- Final design documents and cost estimates
- Evidence that all land, rights-of-ways, and easements have been obtained prior to advertising project for bids should include highway permits and railroad crossing permits as applicable
- Advertisements for bids
- Bid documents
- Evidence of submittal to and/or review by cognizant state or federal agency having jurisdiction over project
- Conformance with Architectural Barriers Act, if applicable
- List of proposed bidders and suppliers receiving copies of the bid documents
- Minutes of public bid opening
- Tabulation of bids with copy of the bid proposal and bid bond submitted by each bidder
- Bidder qualification information; verification of contractor eligibility
- Notice of award of the contract to the lowest responsible bidder
- Evidence of contractor and subcontractor verification of eligibility and approval
- Architect/engineer inspection reports or project status reports, field measurements and test results
- Records of claims, disputes, et cetera
- Change orders and field orders with supporting documentation and justification
- Final inspection and acceptance of project
- Clear lien certificate and final payment to contractor

- As-built drawings
- Correspondence, memoranda, and other records that may relate to construction contracts
- Verification of contractors' compliance with Section 3 regulations

Fair Housing/Equal Opportunity

- City/Parish Employment Affirmative Action Plan, if applicable
- Evidence of efforts to affirmatively further fair housing
- City/Parish employment profile
- Project benefit profile documentation
- Analysis of Impediments to Fair Housing/Fair Housing Assessment
- M.B.E. Reports

Citizen Participation

- Copy of all notices of public hearings held and proofs of publication relating to your LCDBG program
- List of persons attending public hearings and minutes of the meetings
- Citizen inquiries and complaints and correspondence responding to the inquiries and complaints
- Copy of Citizen Participation Plan with adopting resolution. Records documenting implementation and compliance with the CP Plan Citizen Complaint Procedures

Section 504

- Self-evaluation with all areas examined
- List of interested persons consulted
- Transition Plan (if applicable)
- Summary of Previous Actions Taken to Achieve Compliance with Section 504
- Description of modifications made, or to be made, whether administratively or physically
- Designation of responsible person to coordinate Section 504 (if 15 or more employed)
- Grievance Procedure (if 15 or more persons are employed) - relating specifically to Section 504 and resolution adopting it
- Notices Required (if 15 or more persons are employed)
- Statement of Policy to be used with published or recruitment materials or publications of general information
- Method for ensuring participation by those likely to be affected by the LCDBG Program who have visual or hearing impairments
- Procedures which ensure that interested persons (including those with visual or hearing impairments) can obtain information on the existence and location of accessible services, activities, and facilities
- Employment/Personnel Practices
- Data which shows the extent to which handicapped individuals are benefitting from the LCDBG program
- Section 504 Assurance

Section 3

- Grantee's Section 3 Plan (if grant exceeds \$200,000)
- Section 3 Assurances for all Contractor and all Subcontractors
- Subcontractor Utilization Reports for all Contractors and Subcontractors (pre and post project)
- Contractor/Subcontractor Project Workforce Reports (pre and post project)
- Contractor/Subcontractor Section 3 Final Labor Hours Compliance Reports
- Certifications of Section 3 employees and businesses, if applicable

Labor Standards

Comprehensive labor standards compliance files must be established for each construction job. [Exhibit A-23](#) is a Comprehensive Construction Contract Checklist that includes all required labor standard compliance documentation and provides a system for documenting compliance activities.

- Designation of a local Labor Standards Compliance Officer
- Request for Wage Determination
- Wage determinations, modifications, and additional classifications
- Federal Labor Standards Provisions
- Evidence of the 10-day call
- Verification of contractor eligibility
- Notice of Contract Award
- Contractor's License Forms
- Contractor's and subcontractor's weekly payrolls and Statements of Compliance signed by an officer of the company
- Evidence of apprenticeship/trainee registration and certification if apprentice or trainee rates were paid
- Payroll deduction authorizations
- Employee interviews
- Evidence indicating that the federal wage determination and the Labor, E.O., and Safety posters were posted
- Evidence of restitution, if any
- Complaints from workers, if any, and actions taken
- Labor Standards Compliance Report(s), if any
- Final Wage Compliance Report

State Monitoring/Inspections

- State letter(s) of findings
- City/parish response to letter of findings
- State's response clearing findings
- Other correspondence related to the State's monitoring visits [Audit](#)
- Method utilized to procure audit firm(s)

- Professional Services Agreement with independent CPA
- Financial reports
- Information relating to financial reports costs

Project Closeout

- Program Completion Report
- Certification of Completion
- State's letter issuing a conditional closeout
- State's letter issuing a final closeout

General Correspondence

- Incoming and outgoing correspondence that does not fall into the above categories or into a specific project file category

Force Account

- Contact the OCD-LGA for recordkeeping requirements with respect to force account

Land Acquisition (for each parcel, easement, or right-of-way acquired or obtained)

- Official determination to acquire – A citation of the action that constitutes the official determination to acquire, the date of the action, and the applicable LCDBG contract number.
- Notice of Intent to acquire property – A copy of the notice, citation of the date of transmittal to owner, and evidence of receipt by the owner.
- Notice of land acquisition procedures – A citation of the date of transmittal to the owner and evidence of receipt by owner. **(NOTE: The LCDBG reviewer shall assure himself or herself that notice actually transmitted is adequate.)**
- Invitation to accompany appraiser – Evidence that owner was invited to accompany each appraiser on his or her inspection of the property.
- Appraisal reports – A copy of each appraisal report, including reviewer's report on which determination of just compensation was based.
- Determination of just compensation – A copy of the resolution, certification, motion, or other document constituting the determination of just compensation.
- Purchase offer – A copy of the written purchase offer of just compensation, including all basic terms and conditions of such offer, and a citation of the date of delivery to the owner. This date is the initiation of negotiations.
- Statement of the basis for the determination of just compensation – A copy of the statement and an indication it was delivered to the owner with written purchase offer.
- Purchase agreement, deed, declaration of taking, and tenant waivers – A copy of each such document and any similar or related document utilized in conveyance.
- Settlement cost reporting statement – A copy of the statement.
- Purchase price receipt – Evidence of owner receipt of purchase price payment.
- Ninety days' notice to surrender possession of premises – A copy of the notice. As an alternative, a copy of this notice may be included in the relocation or property management file.

- Copy of any appeal or complaint filed and recipient's response.
- If voluntary acquisition procedures were used, a copy of the adopted Voluntary Acquisition Policy and a copy of the resolution.

Relocation Case Files (for each relocation claim)

- Identification of person; displacement property; racial/ethnic group classification; age and sex of all members of household; monthly rent and utility costs for displacement and replacement housing; type of enterprise; and relocation needs and preferences.
- Evidence that the person received a timely statement describing available relocation payments and basic eligibility conditions, available advisory services, and right to comparable replacement housing (or suitable replacement housing under Section 104 (j) policies).
- Evidence that the person received a timely written notice informing him/her of eligibility for relocation assistance and the location and cost of the comparable replacement dwelling used to establish the upper limit of the replacement housing payment.
- Evidence and dates of personal contacts and description of services provided.
- Identification of referrals to replacement properties, date of referral, sale price, or rent/utility costs (if dwelling), date of availability, and reason(s) for declining referral.
- Copy of 90-day notice and vacate notice, if issued.
- Identification of actual replacement property, sale price, or rent/utility costs (if dwelling), and date of relocation.
- Replacement dwelling inspection report and date of inspection.
- A copy of each approved claim form and related documentation; evidence that the person received payment.
- Copy of any appeal or complaint filed and recipient's response.
- Copy of deferred loan lien agreement that has been filed with the clerk of courts office.