
CDBG National Disaster Resilience

Frequently Asked
Questions (FAQs) for
Grants Management

Updated: 3/17/2016

National Disaster Resilience (CDBG-NDR) Grants Frequently Asked Questions

Disclaimer

Remember: We do our best responding accurately and consistently to questions and documenting our answers, but **if an answer below does not completely comport with the NOFA, applicable Federal Register Notices, or separate responses, the NOFA/ FR Notice governs.** Please read all published guidance and requirements carefully.

Substantial Action Plan Amendments and Rescoring

1. **(NEW)** Do substantial amendments require a re-scoring of the NDR application?

If the substantial amendment criteria described in the NDR Federal Register Notice (yet to be published) are triggered, HUD will review the proposed change against the rating factors and threshold criteria and consider whether the application, inclusive of the proposed change, would continue to score in the fundable range. In reviewing substantial amendments, HUD will not penalize grantees for scaling and scoping decisions made by HUD as part of the NDRC award selection process. Additionally, **the grantee may not propose an amendment to reduce the amount of leverage pledged once a final amount is identified in the initial grant agreement.** In re-rating and re-ranking any substantial amendment, the grantee's initial leverage score will remain unchanged. The grantee may substitute the source of its leverage without affecting its leverage score in any re-rating and re-ranking, and this substitution is a non-substantial amendment.

2. **(NEW)** The NOFA is silent on whether HUD will rescore the original application or the descoped projects (with descoped leverage, descoped partners, etc.). Given the applications will not be amended to reflect scope of funding, what is rescored?

In re-rating and re-ranking applications as part of HUD's review of substantial amendments, HUD will not penalize grantees for scaling and scoping decisions made by HUD as part of the NDRC award selection process. HUD will review the proposed change in the context of the original Application to assess whether the original score would have been affected. If the revised score is below the fundable range, HUD will not approve the amendment. HUD has discretion over the rescoring process and will work to provide clear guidance to a grantee should it need to amend its Action Plan. Grantees are encouraged to work closely with their HUD grant representatives to ensure changes to the grant meet HUD's requirements.

3. **(NEW)** Given that only soundness and capacity can trigger rescoring, the language seems to imply that only capacity and soundness are rescored, but I'm not sure. Can you provide any guidance here?

The NOFA, on page 16, explains that for any substantial amendment, HUD must agree "in writing that the amended Application would still score in the fundable range for the competition." If the substantial amendment criteria are triggered, HUD will review the proposed change against the rating factors and threshold criteria and consider whether the application, inclusive of the proposed change, would continue to score in the fundable range.

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4. **(NEW)** What is the process for rescoring leverage?

In re-rating and re-ranking any substantial amendment, the grantee's initial leverage score will remain unchanged if the grantee will meet the amount of leverage included in its grant terms. The grantee may substitute the source of its leverage without affecting its leverage score in any re-rating and re-ranking, and this substitution is a non-substantial amendment. The grantee may not propose an amendment to reduce the amount of leverage pledged once a final amount is identified in the initial grant agreement. The NOFA, on page 48, requires grantees "to show evidence that committed leverage resources were actually received and used for their intended purposes through quarterly reports as the project proceeds. Sources of leverage funds may be substituted after grant award, as long as the dollar commitment is met."

Grant Kick-off

1. **To what extent have funding levels for specific activities been finalized? What is the specific scope of the project HUD expects us to complete?**

Funding levels for specific activities have NOT been finalized. In most cases, HUD based total award amounts on scaling options provided by the grantee in their application and panel recommendations. During individual consultations with grantees, HUD will identify funding amounts for each activity that were part of project approval. In coordination with HUD, grantees will then develop a final project budget. Grantees will publish the final funding amounts for specific activities in the DRGR action plan.

2. **What levels of leverage are available for selected and non-selected NDRC projects? Will grantees be permitted to scale leverage in accordance with HUD funding, or is some other way?**

Grantees will be able to scale leverage for individual selected projects during its negotiations with HUD. Revised leverage amounts to reflect the approved projects must be included in the grant agreement and DRGR action plan. HUD will work with grantees to identify final component funding amounts, including leverage amounts that were contingent on project funding.

3. **How are Planning and Administrative funds accounted for in final award amount announced by HUD?**

Planning and Administrative expenses are included in the total NDR award and grantees must budget such activities into implementation. HUD will work with grantee to identify final component funding amounts that incorporate Planning and Administration during the negotiations phase.

For grantees that identified specific % of their award for admin and that amount is no more than 20% of their NDRC award (with a maximum of 5% for administrative costs), no additional adjustments are required.

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For grantees that identified specific dollar amounts for planning and a specific amount for administration or that did not. For grantees that did not specify any amounts for planning and administration, the grantee will need to identify the amounts that will be identified for those categories in revised action plan.

4. Will grantees be allowed to drop activities listed on the award letter that are no longer feasible due to funding constraints?

Maybe, but this is tricky. HUD recognizes that grantees may need to revise the scale and scope of the project to ensure feasibility. HUD will work with grantee to identify final component funding amounts and scale projects appropriately.

5. What is the process to adjust the scope of activities, funding amounts, and leverage amounts in order to develop an Action Plan for NDRC funds?

Grantees should request a consultation call with HUD to discuss the proposed adjustments to the scope of activities, funding amounts, and leverage amounts. The first of those calls will begin Wednesday, February 17th at 10am, and will continue each day at both 10am EST and 1pm EST. Requests will be granted in order they are received. Please send requests to resilientrecovery@hud.gov with the subject "NDRC grantee request for project consultation."

6. What is the timeline for grant execution, obligation?

All NDRC grants must be obligated no later than September 30, 2017. The Department anticipates that most grantees will execute grant agreements no later than May 2016.

7. Will we receive an extension to 2-year expenditure timeline? Have we been granted the waiver(s) we requested?

All NDRC grantees will receive an extension of the 2-year expenditure timeline, as requested in the initial NDRC application. The approval of those expenditure deadline extensions will be published in a Federal Register Notice no later than March 2016. If a grantee has not requested that waiver, the grantee still has the opportunity to request that waiver.

8. What training will be available to grantees?

Grantees who are new to CDBG disaster recovery grants appropriated under Public Law 113-2 will receive targeted training on grant requirements. All NDRC grantees may continue to take advantage of webinars and learning opportunities with other Federal partners and the philanthropic community. Webinars and learning opportunities will continue to be posted via the HUD Exchange and targeted e-mail from resilientrecovery@hud.gov. If there are training topics that grantees would like to see covered, please send that request to resilientrecovery@hud.gov.

9. Financial certifications timeline? Will existing grantees be required to submit documentation of financial certifications?

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Yes, existing grantees will be required to submit documentation of financial certifications to revise them to reflect new financial requirements in 2 CFR 200. HUD will publish a Federal Register outlining the revised date of submission for financial certifications as part of the formal Notice of Funding Availability (NOFA). This is different than the date published in the NOFA.

10. (NEW) When will NOFA be published in the FR?

The Modified NOFA will be published in the Federal Register in early April 2016, then an additional FR to capture waivers.

11. Who are the HUD representatives assigned to grantee?

Grantees that have existing CDBG-DR grantees will continue that grant management relationship with their currently assigned HUD CPD Field Office. HUD's Disaster Recovery and Special Issues Division will continue to be the assigned "Field Office" for and will be the program office for policy and guidance for NDRC grants.

12. What is the timeline for requirements: enter DRGR action plan, update projections, draw funds?

Within 30 days of the FR Notice, grantees must submit certification documentation (but are encouraged to do so earlier).

Within 60 days of DRGR line of credit (following execution of grant agreement), grantee expected to begin drawing funds from DRGR.

Within 90 days of grant award letter grantee updates projections and revises DRGR Action Plan to reflect funding levels.

13. What levels of leverage are available for selected and non-selected NDRC projects? Will grantees be permitted to scale leverage in accordance with HUD funding, or is some other way?

Grantees will be able to scale leverage for individual selected projects during its negotiations with HUD. Revised leverage amounts to reflect the approved projects must be included in the grant agreement and DRGR action plan. HUD will work with grantees to identify final component funding amounts, including leverage amounts that were contingent on project funding.