NOTICE TO ALL PROJECT APPLICANTS
COMPLETING THE 2880 CORRECTLY

A preliminary review of project applications in E-Snaps shows a wide variety of understandings with regards to proper completion of the HUD 2880. While HUD instructions clearly indicate that completion of this form does not directly affect scoring, it **does** have legal ramifications and HUD also clearly states that the form <u>must</u> be completed properly and thoroughly.

Please review carefully the primary <u>and</u> detailed instructions with regards to completing this form. This memo offers some additional information and guidance learned through the HUD AAQ process as well as from dialogue among the southern California CoC network.

Please note that the 2880 must be completed in the **Project Applicant Profile** and that is the only place where you can make any changes. The information is electronically translated to the individual project applications. **Remember**: to make changes in a now completed Project Applicant Profile, you must go to the last screen and click the "edit" button, then go to the page(s) where you wish to make changes, then hit the "complete" button again when you are through.

Clarifications and Corrections

1. The information entered in the Project Applicant Profile is the primary place where the 2880 must be completed or changed.
   a. HUD instructions clearly state that Question #4 should be left blank – you cannot edit it
   b. When you go to complete the individual project applications, the <u>system</u> will populate the funding amount from your budget page. You don't need to touch this field in the application.
2. To the extent that your answer to Part 1, Question #2 is a cumulative response (see below), then your replies to Parts II and III are equally cumulative.

HUD 2880 - Part I

1. There are two questions in Part 1 and they are <u>not</u> related
   a. Question #1 should be answered YES as you are applying for HUD CoC funding for at least one project <u>regardless</u> of the funding amount
   b. Question #2 involves a **CUMULATIVE** figure.

Here is the information from the **Project <u>Application</u> Detailed Instructions**, Page 9:

> Within the Project Applicant Profile, select "Yes" if the **combined total amount** of *all* your agency's annual CoC Program project applications is <u>more</u> than $200,000.
>
> Select "No" if the **combined total amount** of *all* your agency's annual CoC project applications is $200,000 or less.

HUD 2880 – Part II

- If you answered NO to Part 1, Question #2:
  - This section will not show up and you simply finish the form by clicking "I agree" at the bottom.

- If you answered YES to Part 1, Question #2
  - Please review the detailed instructions for this section, Items 8 – 11 on page 29 of the **Project Applicant Profile Instructions** (https://www.hudexchange.info/resource/2958/instructions-for-updating-the-project-applicant-profile/).

  - Also read carefully the **Project Application Detailed Instructions**, Page 10, which provides explicit information as to the type of information that must be provided here: it goes beyond what seems obvious by the title of the section to <u>include non-government sources and tax credit benefits</u>. This document may be found at https://www.hudexchange.info/resources/documents/FY-2017-Renewal-Project-Application-Detailed-Instructions.pdf.

  - In this section, you will enter information about the *applicant and subrecipients*.
  - Note: In this section you will also enter assistance that you received previously that is still giving benefit to the project. For example, a tax benefit or credit received in a prior year that still brings a financial benefit to the project.

  - Note: If your agency has multiple projects, <u>it is highly likely that you will need to include an attachment to properly respond to this section</u>. That should be attached on the "Other Attachments" screen and labeled in such a way that local TA and HUD reviewers can identify the document such as: Agency Name: 2880 List Continued.

HUD 2880 – Part III

- If you answered NO to Part 1, Question #2:
  - This section will not show up and you simply finish the form by clicking "I agree" at the bottom.

- If you answered YES to Part 1, Question #2
  - Please review the detailed instructions for this section, Items 12 - 17 on page 30 of the Project Applicant Profile Instructions (https://www.hudexchange.info/resource/2958/instructions-for-updating-the-project-applicant-profile/).

- o Note: all financial interests that exceed $50,000 or <u>10% of your CoC assistance</u> (**whichever is lower**) threshold must be reported here.
- o Financial interests includes resources that are received <u>by</u> the project as well as resources that are received <u>from</u> the project.
- o Also read carefully the **Project Application Detailed Instructions**, Pages 10 - 11, which provides explicit information as to the type of information that must be provided here: <u>it explicitly includes people who are compensated</u> (e.g., employees) in such a way as to meet the stated threshold. This document may be found at https://www.hudexchange.info/resources/documents/FY-2017-Renewal-Project-Application-Detailed-Instructions.pdf.
  - ▪ Please note that the issue of including personnel and contractors who are compensated according to the stated thresholds was verified by HUD in an AAQ response to San Diego NOFA TA inquiry (see attached).
  - ▪ If this information is provided elsewhere in the Project Application, you do not need to repeat the information here but you do need to list the name of the form or the location where the information can be found in the application.

It is understood that the information you complete for the 2880 in the Project Applicant Profile automatically populates into each and every project application you have. Do not be alarmed: this is supposed to happen. Clearly there will be items that show up on the auto-populated sections that do not pertain to a specific project but this is how HUD has set it up. The system will populate the total budgeted amount (not including the Admin costs for renewal projects due to an E-Snaps technical glitch which HUD is working on and said to ignore) on Screen 1G of the application.

It is critical that project applications thoroughly and completely fill out all applicable sections of the 2880 in the Project Applicant Profile per the detailed instructions. While HUD has stated that this does not affect <u>scoring</u>, it is probable that it could negatively impact the contracting process via the "Issues, Conditions and Adjustments" period if HUD requires agencies to address incorrect 2880s. The local NOFA TA team will be reviewing these forms for accuracy and thorough reporting.

Thank you.

FY2017 HUD NOFA TA Team