

GRANT OR PROJECT CHANGES & EXTENSIONS

RESOURCES

CONSULT THE CoC RULE

CoC Program Interim Rule

– 578.105 Grant and Project Changes:

<https://www.govinfo.gov/content/pkg/CFR-2017-title24-vol3/xml/CFR-2017-title24-vol3-part578.xml#seqnum578>

RESOURCES ON HUD EXCHANGE

Short Video – CoC Program Grant Amendments:

<https://www.hudexchange.info/resource/3108/coc-program-amendments/>

This resource is prepared by technical assistance providers and intended only to provide guidance. The contents of this document, except when based on statutory or regulatory authority or law, do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

SUMMARY

Recipients have the ability to make changes to a project grant (for example, to improve performance or address an emerging need). HUD distinguishes between minor and significant project changes. Recipients may make minor grant changes. For significant changes, recipients must request permission and would require a grant amendment to be approved by HUD on a case-by-case basis.

MINOR CHANGES

Minor changes do not substantially affect the grant implementation and do not require HUD approval. Examples include:

- A change in subrecipient; and
- A shift of less than 10 percent of the total budget approved for one eligible activity to another approved eligible activity.

Recipients and subrecipients must notify the local HUD field office of these changes, especially if the change necessitates an update to the budget in e-LOCCS, and must fully document these changes in their records. The documentation must be made available to HUD during monitoring and compliance reviews or upon request.

SIGNIFICANT CHANGES

Significant changes substantially affect project implementation and represent a departure from the initial application. They require prior HUD approval and, if approved, a formal grant amendment.

Significant changes are listed below.

Recipients that are not UFAs or sole recipients:

- Change of recipient;
- A shift of more than 10 percent of the total budget approved for one eligible cost to another eligible cost;
- A permanent change in the subpopulation served;
- A permanent reduction in the total number of units funded by the grant;
- A change of project site; and
- Additions or deletions of eligible costs for the project.

HUD will approve a grant amendment contingent on the following:

- Requests for a change in recipient - only if the new recipient meets the capacity criteria described in either the NOFA under which the grant was awarded or the most recent CoC Program NOFA; and
- Shift in funds or change in subpopulations - only if such changes are necessary to better serve eligible persons within the CoC's geographic area and if the change supports priorities established under the CoC Program NOFA in which the grant was originally awarded or the most recent CoC Program NOFA.

Unified Funding Agencies (UFAs):

- Change of recipient;
- A shift of more than 10 percent of the total budget approved for one eligible cost to another eligible cost;
- A permanent change in the subpopulation served; and
- A permanent reduction in the total number of units funded by the grant.

UFAs will have grant amendments approved by HUD contingent on the above points for non-UFAs (i.e., change of recipient, shift of funds, change of subpopulations).

- Important: UFAs that request grant amendments from HUD must obtain approval from the CoC and keep this evidence in their records (i.e., meeting minutes documenting grant amendment was discussed and approved).

REQUESTING A GRANT AMENDMENT

HUD will review requests and either approve or reject the proposed change on a case-by-case basis. Recipients and subrecipients are prohibited from proceeding with any changes unless HUD provides written approval.

A written request for a grant amendment should be sent to the local HUD CPD Field Office and include:

- Request on recipient's letterhead, signed by an authorized representative;
- Explanation of the reason for the change;
- Justification that the same or better level of service will be provided;
- Attachments of all relevant revised application and issue and conditions exhibits reflecting the proposed change(s); and
- Contact information for staff who can provide more information if needed.

REQUESTING A GRANT EXTENSION

Recipients may extend the project's grant term, but must commit to maintain the same level of housing, services, or both, and have the financial resources to continue the program through the extension period. HUD considers grant term extensions on a case-by-case basis, and does not provide consent solely to allow recipients to use grant funds unspent once the grant term expires.

Before requesting a grant extension, recipients should:

- Verify the grant expiration date;
- Determine if there are sufficient funds to carry the project through the operating year and the proposed extension period; and
- If more funds are needed, identify and secure these funds.

Recipients must submit a written grant amendment request to their local HUD field office **before the current grant expires**, and must:

- Demonstrate that they have the financial resources to carry out the program in accordance with their application and grant agreement for the extension period.

Grant terms may not be extended for more than one year at a time. Extensions for less than a year are acceptable.