

Subpart F—Grant Administration

§ 1003.500 Responsibility for grant administration.

(a) One or more tribal departments or authorities, including existing tribal public agencies, may be designated by the chief executive officer of the grantee to undertake activities assisted by this part. A public agency so designated shall be subject to the same requirements as are applicable to subrecipients.

(b) The grantee is responsible for ensuring that ICDBG funds are used in accordance with all program requirements. The use of designated public agencies, subrecipients, or contractors does not relieve the grantee of this responsibility. The grantee is also responsible for determining the adequacy of performance under subrecipient agreements and procurement contracts, and for taking appropriate action when performance problems arise, such as the actions described in § 1003.701.

§ 1003.501 Applicability of uniform administrative requirements and cost principles.

(a) Grantees and subrecipients which are governmental entities (including public agencies) shall comply with the requirements and standards of OMB Circular No. A-87, “Principles for Determining Costs Applicable to Grants and Contracts with State, Local and Federally recognized Indian Tribal Governments”, OMB Circular A-128, “Audits of State and Local Governments” (implemented at 24 CFR part 44) and with the following sections of 24 CFR part 85 “Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments”.

(1) Section 85.3, “Definitions”.

(2) Section 85.6, “Exceptions”.

(3) Section 85.12, “Special grant or subgrant conditions for ‘high-risk’ grantees”.

(4) Section 85.20, “Standards for financial management systems,” except paragraph (a).

(5) Section 85.21, “Payment”.

(6) Section 85.22, “Allowable costs”.

(7) Section 85.25, “Program income,” except as modified by § 1003.503.

(8) Section 85.26, “Non-federal audits”.

(9) Section 85.32, “Equipment,” except in all cases in which the equipment is sold, the proceeds shall be program income.

(10) Section 85.33, “Supplies”.

(11) Section 85.34, “Copyrights”.

(12) Section 85.35, “Subawards to debarred and suspended parties”.

(13) Section 85.36, “Procurement,” except paragraphs (a) States, (i)(5) Compliance with the Davis Bacon Act (40 U.S.C. 276a to a-7) and (i)(6) Compliance with sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330). There may be circumstances under which the bonding requirements of § 85.36(h) are inconsistent with other responsibilities and obligations of the grantee. In such circumstances, acceptable methods to provide performance and payment assurance may include:

(i) Deposit with the grantee of a cash escrow of not less than 20 percent of the total contract price, subject to reduction during the warranty period, commensurate with potential risk; or

(ii) Letter of credit for 25 percent of the total contract price, unconditionally payable upon demand of the grantee, subject to reduction during the warranty period commensurate with potential risk.

(14) Section 85.37, “Subgrants”.

(15) Section 85.40, “Monitoring and reporting program performance,” except paragraphs (b) through (d) and paragraph (f).

(16) Section 85.41, “Financial reporting,” except paragraphs (a), (b), and (e).

(17) Section 85.42, “Retention and access requirements for records”. The retention period referenced in § 85.42(b) pertaining to individual ICDBG activities starts from the date of the submission of the final status and evaluation report as prescribed in § 1003.506(a) in which the specific activity is reported.

(18) Section 85.43, “Enforcement”.

(19) Section 85.44, “Termination for convenience”.

(20) Section 85.51 “Later disallowances and adjustments”.

(21) Section 85.52, “Collection of amounts due”.

(b) Subrecipients, except subrecipients that are governmental entities,