

- (1) Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants;
- (2) An application from each ineligible family and notice that the applicant is not eligible;
- (3) HUD-required reports;
- (4) Unit inspection reports;
- (5) Lead-based paint records as required by part 35, subpart B of this title.
- (6) Accounts and other records supporting PHA budget and financial statements for the program;
- (7) Records to document the basis for PHA determination that rent to owner is a reasonable rent (initially and during the term of a HAP contract); and
- (8) Other records specified by HUD.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 61 FR 27163, May 30, 1996; 63 FR 23860, Apr. 30, 1998; 63 FR 46593, Sept. 1, 1998; 64 FR 50229, Sept. 15, 1999]

**§ 982.159 Audit requirements.**

- (a) The PHA must engage and pay an independent public accountant to conduct audits in accordance with HUD requirements.
- (b) The PHA is subject to the audit requirements in 24 CFR part 44.

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[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995]

**§ 982.160 HUD determination to administer a local program.**

If the Assistant Secretary for Public and Indian Housing determines that there is no PHA organized, or that there is no PHA able and willing to implement the provisions of this part for an area, HUD (or an entity acting on behalf of HUD) may enter into HAP contracts with owners and perform the functions otherwise assigned to PHAs under this part with respect to the area.

(Approved by the Office of Management and Budget under control number 2577-0169)

[60 FR 34695, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995]

**§ 982.161 Conflict of interest.**

(a) Neither the PHA nor any of its contractors or subcontractors may enter into any contract or arrangement in connection with the tenant-based programs in which any of the following classes of persons has any interest, direct or indirect, during tenure or for one year thereafter:

- (1) Any present or former member or officer of the PHA (except a participant commissioner);
- (2) Any employee of the PHA, or any contractor, subcontractor or agent of the PHA, who formulates policy or who influences decisions with respect to the programs;
- (3) Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs; or
- (4) Any member of the Congress of the United States.

(b) Any member of the classes described in paragraph (a) of this section must disclose their interest or prospective interest to the PHA and HUD.

(c) The conflict of interest prohibition under this section may be waived by the HUD field office for good cause.

**§ 982.162 Use of HUD-required contracts and other forms.**

(a) The PHA must use program contracts and other forms required by HUD headquarters, including:

- (1) The consolidated ACC between HUD and the PHA;
- (2) The HAP contract between the PHA and the owner; and
- (3) The tenancy addendum required by HUD (which is included both in the HAP contract and in the lease between the owner and the tenant).

(b) Required program contracts and other forms must be word-for-word in the form required by HUD headquarters. Any additions to or modifications of required program contracts or other forms must be approved by HUD headquarters.

[60 FR 34695, July 3, 1995, as amended at 64 FR 26642, May 14, 1999]

**§ 982.163 Fraud recoveries.**

Under 24 CFR part 792, the PHA may retain a portion of program fraud