

## §§ 1944.54–1944.61

other business or administrative ventures which indicate an ability to perform responsibly in this field of housing application packaging.

(b) Legally obligate itself to administer grant funds, provide adequate accounting of the expenditure of such funds, and comply with FmHA or its successor agency under Public Law 103–354 regulations.

(c) If the organization is a private nonprofit corporation, be a corporation that:

(1) Is organized under State and local laws.

(2) Is qualified under section 501(c)(3) of the Internal Revenue Code of 1986.

(3) Has as one of its purposes assisting very low- and low-income families to obtain affordable housing.

### §§ 1944.54–1944.61 [Reserved]

#### § 1944.62 Authorized representative of the applicant.

RHS or its successor agency under Public Law 103–354 will deal only with authorized representatives designated by the applicant. The authorized representatives must have no pecuniary interest in the award of the architectural or construction contracts, the purchase of equipment, or the purchase of the land for the housing site.

[58 FR 58643, Nov. 3, 1993, as amended at 61 FR 39851, July 31, 1996]

#### § 1944.63 Authorized use of grant funds.

Grant funds may only be used to reimburse a packager for delivered packages. Payment will be made for each complete package received and accepted in accordance with exhibit C of this subpart.

### §§ 1944.64–1944.65 [Reserved]

#### § 1944.66 Administrative requirements.

The following policies and regulations apply to grants made under this subpart:

(a) Grantees must comply with all provisions of the Fair Housing Act of 1988 and subpart E of part 901 of this chapter which states in part, that no person in the United States shall, on the grounds of race, color, national origin, sex, religion, familial status, hand-

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icap, or age, be excluded from participating in, be denied the benefits of, or be subject to discrimination in connection with the use of grant funds.

(b) The policies and regulations contained in FmHA Instruction 1940–Q (available in any Agency Office), Departmental Regulation 2400–5, and 7 CFR part 3018 apply to grantees under this subpart.

(c) Grantees should be aware of the policies and regulations contained in subpart G of part 1940 of this chapter. They will supply needed information requested by the local Agency Office in connection with the loan/grant application.

(d) The grantee will retain records for three years from the date Standard Form (SF)–269A, “Financial Status Report (Short Form),” is submitted. These records will be accessible to RHS and other Federal officials in accordance with 7 CFR part 3015.

(e) Annual audits will be completed if the grantee has received more than \$25,000 of Federal assistance in the year in which HAPG funds were received. These audits will be due 13 months after the end of the fiscal year in which funds were received.

(1) States, State agencies, or units of general local government will complete an audit in accordance with 7 CFR parts 3015 and 3016 and OMB Circular A–128.

(2) Nonprofit organizations will complete an audit in accordance with 7 CFR part 3015 and OMB Circular A–133.

(f) Performance reports, as required, will be submitted in accordance with 7 CFR part 3015.

[58 FR 58643, Nov. 3, 1993, as amended at 61 FR 39851, July 31, 1996]

#### § 1944.67 Ineligible activities.

The packager may not charge fees or accept compensation or gratuities directly or indirectly from the very low- and low-income families being assisted under this program. The packager may not represent or be associated with anyone else, other than the applicant, who may benefit in any way in the proposed transaction. If the packager is compensated for this service from other sources, then the packager is not eligible for compensation from this source except as permitted by Agency.