

§511.72

project costs for Fiscal Year 1989 benefit low-income families, then 70 percent of the Fiscal Year 1989 grant amounts spent for administrative costs will be deemed to benefit low-income persons.

§511.72 Applicability of uniform Federal administrative requirements.

Grantees, State recipients and their contractors 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,"¹ OMB Circular A-128, "Audits of State and Local Governments" (implemented at 24 CFR part 44), and with 24 CFR part 85, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," except for: §§85.10, 85.11, 85.25, 85.31, 85.40(b), 85.41, and 85.50. In lieu of §§85.25 and 85.50, HUD has adopted §511.76 and §511.77, respectively, of this part.

§511.73 Grantee records.

(a) *Records to be maintained.* Each grantee shall maintain records as specified by HUD that clearly document its performance under each requirement of this part. States distributing rental rehabilitation grant amounts to State recipients shall also ensure that their recipients maintain such records to document each recipient's performance. The records required by this section shall, at a minimum, include the following:

(1) Records required to comply with §511.75;

(2) Data on the racial, ethnic, gender, and income level characteristics of

(i) Tenants occupying units before rehabilitation;

(ii) Tenants moving from and (initially after rehabilitation) into projects assisted under this part;

(iii) Applicants for tenancy within 90 days following completion of rehabilitation assisted under this part; and

(iv) Owners of the projects rehabilitated; and

¹OMB Circular No. A-87 is available from HUD Field Offices.

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(3) Data indicating the race and ethnicity of households displaced as a result of program activities, and, if available, the address and census tract of the housing units to which each displaced household relocated.

(b) *Retention of records.* Records required to be maintained under paragraph (a) of this section shall be retained for a period of three years from the date of final closeout of the rental rehabilitation grant.

(c) *Public disclosure.* Documents relevant to a grantee's Program Description shall be made available for public review upon request at the grantee's office during normal working hours.

(d) *Federal access to records.* The Secretary, the Inspector General of HUD, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to all books, accounts, reports, files, and other papers or property of grantees, State recipients, and their contractors pertaining to rental rehabilitation grant amounts for the purpose of making surveys, audits, examinations, excerpts, and transcripts. Grantees or, where applicable, State recipients shall ensure that their agreements with owners require the owners to provide similar access to their records pertaining to the use of rental rehabilitation grant amounts.

(Approved by the Office of Management and Budget under control number 2506-0080)

§511.74 Audit.

The financial management systems used by grantees and, where applicable, State recipients shall provide for audits in accordance with 24 CFR part 44.

§511.75 Disbursement of rental rehabilitation grant amounts: Cash and Management Information System.

(a) *General.* Rental Rehabilitation grants are managed through HUD's C/MI System for the Rental Rehabilitation Program. The C/MI System is a computerized system which manages program funds, disburses grant amounts, and collects and reports data on properties and tenants assisted under the Program.

(b) *Project set-up.* (1) After the grantee executes the Grant Agreement, complies with the requirements under part