

§§ 1944.507–1944.509 [Reserved]**§ 1944.510 Applicant eligibility.**

To be eligible to receive a grant, the applicant must:

(a) Be an organization as defined in § 1944.506(e).

(b) Have the financial, legal, administrative, and operational capacity to assume and carry out the responsibilities imposed by the grant agreement. To meet this requirement of actual capacity, it must either:

(1) Have necessary background and experience with proven ability to perform responsibly in the field of low-income rural housing development and counseling, or other business management or administrative experience which indicates an ability to provide responsible technical and supervisory assistance; or

(2) Be assisted by an organization which has such background experience and ability and which agrees in writing that it will provide, without charge, the assistance the applicant will need to carry out its responsibilities.

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

(d) Demonstrate an understanding of the needs of low-income rural families;

(e) Have the ability and willingness to work within established guidelines; and

(f) If the applicant is engaged in or plans to become engaged in any other activities, it must be able to provide sufficient evidence and documentation that it has adequate resources, including financial resources, to carry on any other programs or activities to which it is committed without jeopardizing the success and effectiveness of its TSA project.

§ 1944.511 [Reserved]**§ 1944.512 Authorized representative of the applicant.**

FmHA or its successor agency under Public Law 103–354 will deal only with authorized representatives designed by the applicant. The authorized rep-

resentatives must have no pecuniary interest in any of the following as they would relate in any way to the TSA grant: the award of any engineering, architectural, management, administration, or construction contracts; purchase of the furnishings, fixtures or equipment; or purchase and/or development of land.

NOTE: FmHA or its successor agency under Public Law 103–354 has designated the District Office as the primary point of contact for all matters relating to the TSA program and as the office responsible for the administration of approved TSA projects.

§ 1944.513 [Reserved]**§ 1944.514 Comprehensive TSA grant projects.**

(a) The rural area to be covered by the TSA project must be realistically serviceable by the applicant in terms of funding resources, manpower, and distances and generally should be limited to one to four counties within the service area of one District Office.

(b) Consideration of the following items may assist applicants develop TSA projects which meet the needs of low-income families in the proposed TSA service area: present population distribution, projected population growth or decline, the amount of inadequate housing, economic conditions, and trends of the rural areas concerned, and any other factors affecting the quantity and quality of housing currently available or planned for the area. Consideration must also be given to the needs and desires of the community; the financial and social condition of the individuals within the community; the needs of areas with a concentration of low-income minority families and the needs of FmHA or its successor agency under Public Law 103–354 borrowers who are delinquent in their housing loan payments; the availability of supporting services such as water, sewerage, health and educational facilities, transportation, recreational and community facilities, and the types of housing facilities and services presently available or planned to which the low-income families have or will have ready access.

§ 1944.515

(c) Each TSA applicant should consider the alternatives available to provide needed housing facilities and services for the area. Consideration should also be given to the recommendations and services available from local, state, federal governmental entities, and from private agencies and individuals.

(1) In no case should the TSA project deliberately conflict with or duplicate housing studies, plans, projects, or any other housing related activities in a rural area unless documentation shows these activities do not meet the needs of low-income families.

(2) Each TSA project should be coordinated to the extent possible with any comprehensive or special purpose plans and projects affecting low-income housing in the area.

(3) To the fullest extent possible, TSA projects should be coordinated with any housing-related activities currently being carried out in the area.

(d) TSA applicants must coordinate their proposals with the appropriate County and District Offices to be fully familiar with the needs of those offices and of the low-income families currently served by the County Offices.

§ 1944.515 [Reserved]

§ 1944.516 Grant purposes.

Grant funds are to be used for a housing delivery system and counseling program to include a comprehensive program of technical and supervisory assistance as set forth in the grant agreement and any other special conditions as required by FmHA or its successor agency under Public Law 103-354. Uses of grant funds may include, but are not limited to:

(a) The development and implementation of a program of technical and supervisory assistance as defined in § 1944.506 (h) and (i).

(b) Payment of reasonable salaries of professional, technical, and clerical staff actively assisting in the delivery of the TSA project.

(c) Payment of necessary and reasonable office expenses such as office supplies and office rental, office utilities, telephone services, and office equipment rental.

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(d) Payment of necessary and reasonable administrative costs such as workers' compensation, liability insurance, audit reports, travel to and attendance at FmHA or its successor agency under Public Law 103-354 approved training sessions, and the employer's share of Social Security and health benefits. Payments to private retirement funds are prohibited unless prior written authorization is obtained from the Administrator.

(e) Payment of reasonable fees for necessary training of grantee personnel. This may include the cost of travel and per diem to attend regional training sessions when authorized by the State Director.

(f) Other reasonable travel and miscellaneous expenses necessary to accomplish the objectives of the specific TSA grant which were anticipated in the individual TSA grant proposal and which have been included as eligible expenses at the time of grant approval.

§ 1944.517 [Reserved]

§ 1944.518 Term of grant.

TSA projects will be funded under one Grant Agreement for two years commencing on the date of execution of the Agreement by the State Director.

§ 1944.519 [Reserved]

§ 1944.520 Ineligible activities.

(a) Grant funds may not be used for:

(1) Acquisition, construction, repair, or rehabilitation of structures or acquisition of land, vehicles, or equipment.

(2) Replacement of or substitution for any financial support which would be available from any other source.

(3) Duplication of current services in conflict with the requirements of § 1944.514(c).

(4) Hiring personnel to perform construction.

(5) Buying property of any kind from families receiving technical or supervisory assistance from the grantee under the terms of the TSA grant.

(6) Paying for or reimbursing the grantee for any expenses or debts incurred before FmHA or its successor