



Fair Housing

Program Guidebook

Section 1 - Authority

The State of Mississippi received a series of allocations of Community Development Block Grant–Disaster Recovery (“CDBG-DR”) funding made available through the Disaster Relief Supplemental Appropriations Act, 2022 (Pub. L. 117-43) to support long-term disaster recovery needs following Hurricane Zeta (“Zeta”), Disaster No. 4576. The U.S. Department of Housing and Urban Development (“HUD”) determined the amounts of the allocations and designated the “most impacted and distressed” (“MID”) locations within the state for the expenditure of the funds. On February 3, 2022, HUD released its initial Hurricane Zeta allocation of \$28,470,000, designating Harrison County, Mississippi as the MID. A subsequent Zeta allocation of \$8,214,000 was made on May 24, 2022. The Mississippi Development Authority-Disaster Recovery Division (MDA-DRD) has been designated as the funding agency and administrator for programs which address identified remaining Hurricane Zeta damages.

Section 2 - Overview

A grant in the amount of \$466,638.00 has been approved by MDA-DRD for the Mississippi Center for Justice (MCJ) for the conduct of activities focused on the provision of education regarding fair housing to LMI and vulnerable persons in Harrison County.

This document serves to provide guidance, policies, and procedures for MCJ related to its activities in supporting MDA-DRD in its commitment to affirmatively furthering fair housing, fostering inclusive communities and eliminating barriers to opportunity including education targeting limited English speaking populations, disabled and other members of protected classes under the Fair Housing Act.

MCJ’s support role includes the development and distribution of informational materials, the conduct of a series of workshops, training sessions, and related activities in collaboration with MDA-DRD and community-based organizations in Harrison County, Mississippi.

Section 3 - Grant Award

The amount of the grant award will be set for MCJ based on its application for funding but shall not exceed \$466,638.00 as stated in Section 2 above. The submission of estimates, invoices, and other relevant supporting documentation by MCJ will inform MDA-DRD as to the grant amount. MCJ acknowledges and the MDA-DRD agrees that the estimated costs may and are in fact likely to change during the course of the program. Any necessary adjustments will be made based on documentation submitted by MCJ.

The period of performance following the grant award is three (3) years.

Section 4 – Financial Management

OMB’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200) establish financial management requirements for CDBG-DR funds. As described here and in MDA-DRD’s Financial Management Policy, these requirements have been established to ensure that subrecipients have a financial management system that:

- Provides effective control over the accountability for all funds, property, and other assets;
- Ensures “reasonableness, allowability, and allocability” of costs and verifies that expenses have not violated any Federal restrictions or prohibitions;and
- Permits the accurate, complete, and timely disclosure of financial results in accordance with reporting requirements of MDA-DRD and HUD.

Financial reporting prepared by the subrecipient must be accurate, timely, and current and represent complete disclosure of the financial activity and status of CDBG-DR grant.

MDA-DRD will ensure compliance with these requirements, as described by the processes held within the Finance and Reporting Policy which is available on the MDA-DRD website at www.mississippidisasterrecovery.com.

Section 5 - Funding Restrictions

Eligible activities shall address the following:

- Unmet needs of vulnerable low-to-moderate income (LMI) populations identified by unmet needs assessment, including LMI persons, the elderly and the disabled;
- Unmet recovery needs not already addressed by other federal state/local, non-profit, and/or private insurance funds.

MCJ is prohibited from charging the costs of CDBG-DR ineligible activities to the Subgrant Agreement (SGA) including those described at 24 C.F.R. 570.207, and from using CDBG-DR funds or personnel employed in the administration of activities under the SGA for political activities, inherently religious activities, or lobbying.

Section 6 - Compliance

Monitoring and evaluating subrecipient performance and compliance is a HUD requirement for CDBG-DR funds. Accordingly, MDA-DRD will perform monitoring of the subrecipient on an established schedule from project start until project completion. MDA-DRD will review documentation, records, information, and related material to ensure compliance with all federal and state laws, rules, regulations, guidelines, policies, programs, terms, and conditions. For each stage of the of the MDA-DRD subrecipient monitoring process, a combination of the above-mentioned monitoring areas will be reviewed.

Because the FH Program does not involve construction or rehabilitation, compliance with federal and state laws, rules regulations, guidelines, policies, terms and conditions is reduced. There are certain monitoring and compliance requirements that are cross-cutting for other CDBG-DR funds that are not applicable to the FH Program; these include:

- Construction Management and Davis-Bacon labor standards;
- Section 3 hiring requirements, including creation of opportunities for Section 3 workers; regular reviews of Force Account Labor, Materials, and Equipment; and submission of Certified Payroll Reports (CPRs);
- Environmental review processes;
- Building requirements regulating construction and green building standards such as the Environmental Protection Agency’s (EPA) Green Building Standards; and

- Requirements of the Uniform Relocation Assistance and Real Property Acquisitions Policies Act.

The FH Program must comply with the following laws and regulations:

- Civil Rights Act
- Americans with Disability Act
- Fair Housing Act
- Duplication of Benefits
- Conflict of Interest
- Procurement
- Anti-fraud, Waste and Abuse

6.1 Duplication of Benefits

Under the requirements of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (42 U.S.C. 5121, et seq.) as interpreted and applied by HUD, MDA-DRD must consider certain aid received in determining the amount of assistance which can be granted for property disaster recovery activities. A duplication of benefits (DOB) occurs when assistance is received from multiple funding sources and the total assistance amount exceeds the need for a specific recovery purpose. MDA-DRD and its subrecipients must comply with federal DOB rules and regulations.

Potential sources of disaster assistance for an education program such as the FH Program include but are not limited to other non-CDBG-DR HUD funding, private and non-profit assistance, and other private and public sources. To avoid DOB and potential repayment of funds, MCJ and MDA-DRD must make diligent efforts to identify and evaluate all possible funding sources, including reviewing data from other federal agencies which provide aid before applying CDBG-DR funds to a project.

Further details regarding MDA-DRD's treatment of DOB can be found in MDA-DRD's DOB policy, which is available at www.mississippidisasterrecovery.com.

6.2 Conflict of Interest

MDA-DRD has established written standards of conduct covering conflicts of interest and governing actions of public servants, persons, businesses, and/or their designees funded by or affiliated with CDBG-DR funds, activities, projects, programs, or contracts (Covered Persons). This includes, but is not limited to, those engaged in the selection, award, and administration of all CDBG-DR related contracts or agreements for grants, loans, projects, activities, benefits, goods, or services. The policy also asserts the standards and duties of all Covered Persons.

All Covered Persons shall fully disclose any real or potential conflicts of interest. Every person has the obligation to report any act that violates the provisions of the policy. All persons shall cooperate with any investigation initiated by the MDA-DRD CDBG-DR Program related to conflicts of interest. Failure of a Covered Person to disclose a real or potential conflict of interest could constitute an act of fraud.

Each subrecipient for CDBG-DR funding must have a Conflict-of-Interest Policy for its organization and shall provide a copy of that policy to MDA-DRD.

MDA-DRD's conflict of interest policy can be found in Chapter 11 of the MDA-DRD Policy Manual, "Conflict of Interest" and Chapter 12 of the MDA-DRD Policy Manual, "Anti-Fraud, Waste or Abuse and the MDA-DRD disaster recovery website at www.mississippidisasterrecovery.com.

6.3 Procurement

Procurement policy for CDBG-DR programs administered by MDA-DRD is governed by 24 CFR 570.489(g) and the provisions found in 2 CFR part 200 as well as by applicable state laws and regulations. 2 CFR § 200.317 specifically provides that, when procuring property or services under a Federal award, the State must use the same policies and procedures it uses for procurements from non-Federal funds. In addition, where state requirements are more stringent than federal requirements, the higher standards should be followed for CDBG-DR procurement. MDA-DRD, in the administration of CDBG-DR funds, will follow state procurement laws and regulations and comply with §§ 200.321 through 200.323, as required. (See Miss. Code Ann. § 31-7-1, *et seq.*; Miss. Code Ann. § 27-104-7.)

The regulations that govern the State of Mississippi's procurement activities are issued by the Department of Finance and Administration (DFA) Office of Purchasing, Travel and Fleet Management and the Public Procurement Review Board (PPRB) Office of Personal Service Contract Review. The regulations can be found at the following links:

DFA - <https://www.dfa.ms.gov/media/3990/procurementmanual.pdf>

PPRB- <https://www.dfa.ms.gov/media/9413/pprb-opscr-rules-and-regulations-effective-01182020.pdf>

Accordingly, when procuring property and services under CDBG-DR grants, the procuring entities, including MCJ, are required to follow state procurement policies and procedures in conformity with state statutes and implementing regulations issued by MS DFA and PPRB.

MDA-DRD's procurement policy can be found in Chapter 9 of the MDA-DRD Policy Manual, "Procurement and Contracting" and the MDA-DRD disaster recovery website at www.mississippidisasterrecovery.com.

6.4 Fair Housing and Equal Opportunity Requirements

The MDA-DRD is committed to ensuring that its CDBG-DR programs affirmatively further access to fair housing and that its policies and procedures do not deny any individuals the opportunity to participate in, access, or benefit from the programs and activities carried out as part of disaster recovery, both as program beneficiaries and as employees working to support the various CDBG-DR programs. MDA-DRD and its subrecipients, contractors, and other program participants will ensure that CDBG-DR activities are conducted in a manner which will not cause discrimination on the basis of race, color, national origin, religion, disability, familial status, gender identity, sexual orientation, or age.

MDA-DRD’s Fair Housing Policy can be found in Chapter 7 of the MDA-DRD Policy Manual, “Fair Housing and Equal Opportunity” and on the MDA-DRD disaster recovery website at www.mississippidisasterrecovery.com.

6.5 Anti-Fraud, Waste, and Abuse

MDA-DRD, as grantee, is committed to the responsible management of CDBG-DR funds by being a good advocate of the resources while maintaining a comprehensive policy for preventing, detecting, reporting, and rectifying fraud, waste, abuse, or mismanagement.

Pursuant to 87 FR 6364, MDA-DRD implements adequate measures to create awareness and prevent fraud, waste, abuse, or mismanagement among other irregularities in all programs administered with CDBG-DR funds as well as encourages any individual who is aware or suspects any kind of conduct or activity that may be considered an act of fraud, waste, abuse, or mismanagement, regarding the CDBG-DR Program, to report such acts to the CDBG-DR Internal Audit Office, directly to the Office of Inspector General (OIG) at HUD, or any local or federal law enforcement agency.

6.5.1. Reporting Fraud

Any allegations of fraud, waste, abuse, or mismanagement related to CDBG-DR funds or resources must be reported to the MDA-DRD Monitoring Department, or directly to the OIG at HUD, or any local or federal law enforcement agency.

Any person, including any employee of the CDBG-DR Program, who suspects, witnesses, or discovers any fraud, waste, abuse, or mismanagement, relating to the CDBG-DR Program, should report it immediately by any of the following means:

Reporting Fraud, Waste and Abuse	
Phone	1-800-321-1275
Internet	https://www.osa.state.ms.us/fraud/

Allegations of fraud, waste or abuse can also be reported directly to the OIG by any of the following means:

Reporting Fraud, Waste and Abuse	
HUD OIG Hotline	1-800-347-3735 (Toll-Free)
	787-766-5868 (Spanish)

Mail	HUD Office of Inspector General (OIG) Hotline 451 7th Street SW, Washington, D.C. 20410
Email	HOTLINE@hudoig.gov
Internet	https://www.hudoig.gov/hotline

Section 7 – Recordkeeping and Retention of Records

Records are kept to document compliance with program requirements and federal, state, and local regulations and to facilitate audit reviews by MDA-DRD and HUD. For each CDBG-DR-funded activity, records must contain reliable and up-to-date information. At a minimum, the records must include:

- Copy of the Subgrant Agreement (SGA) between MDA-DRD and the Subrecipient;
- Full description of activities undertaken and assisted with CDBG-DR funds;
- Documentation that all activities undertaken meet at least one of the criteria for National Objectives;
- Documentation of determination of eligibility of all activities;
- Financial records as required by 2 CFR Part 200, 24 CFR § 570.502, and State requirements, which include:
 - Current authorizations and obligations of CDBG-DR funds;
 - Actual outlays or expenditure; and
 - Evidence each expenditure is necessary, reasonable, and directly related to the project;

Section 8 – Record Retention

Record retention is a crucial piece of the overall information management strategy. Files must be complete, accurate, and orderly and should portray the program’s life, from its inception to its completion.

The Subrecipient shall maintain project-related documentation, including financial records, supporting documents, and statistical records associated with CDBG-DR funds for three (3) years after the closure of the State’s overall Grant Agreement with HUD. Because this required record retention period is not an exact date or time period, MDA-DRD will notify the Subrecipient when the overall grant has been closed with HUD and include the end date of the record retention period.

Section 9 – Reporting Requirements

MCJ will be required to submit quarterly reports to MDA-DRD to provide a status update

on the progress of its projects. Details about the contents of require Quarterly Reports are contained in the Subgrant Agreement but include:

- The Subrecipient shall submit to MDA-DRD regular quarterly progress reports providing the following information by the 15th of the month preceding the end of the quarter (March 15, June 15, September 15 and December 15):
 - (a) Subrecipient name, address and telephone number, the Project name, Agreement identification number and responsible individual;
 - (b) Year the Project was funded;
 - (c) Financial status for activity, including but limited to the following: (i) amount authorized; (ii) amount expended for the current reporting period; (iii) total expended to date (all sources as well as CDBG-DR Funds); and remaining CDBG-DR Funds balance;
 - (d) Documentation of its progress with respect to the Agreement Performance Measures and Milestones set forth in Exhibit "C."
 - (e) Roadblocks or delays that prevented milestones from being completed;
 - (f) An amended task-based schedule for completing the work described in the Scope of Services, Exhibit "B;" and
 - (h) For the reporting period, CDBG-DR Funds actually used compared to those planned to be used.
- MCJ will also be required to submit to MDA-DRD a copy of their audited financial statements, including a balance sheet and a profit and loss statement. This should be provided on an annual basis, within six (6) months from the end of MCJ's fiscal year.

9.1 Submission of Reports

An original signed report must be submitted to MDA-DRD by the stated due date. Reports may also be submitted electronically or via fax prior to MDA's receipt of the original report. MDA will maintain a Performance Measure Summary Report to monitor the submission of reports and compile project data.

9.2 Review and Verification of Reports

MDA-DRD will review reports for completeness and accuracy to ensure that reports are compliant with the requirements of the grant agreement.

MDA-DRD will verify that the information submitted is accurate by evaluating the data in comparison with other project documentation, which may include, but is not limited to:

- Project schedule
- Site visits
- Cash requests and supporting documentation
- Construction progress meetings

MCJ will be contacted by the program manager to address any questions, inaccuracies or omissions identified through the review process.

Section 10 – Closeout

The closeout of a CDBG-DR subgrant follows a process by which MDA-DRD determines that all applicable administrative actions and required scope of work on the project have been completed. The subgrant agreement closeout package template will be provided to MCJ when the FH Program has been completed.

The MDA-DRD FH Program Manager and MCJ are responsible for generating, completing, and verifying the documentation required for the Closeout Package.

The Closeout Package is submitted by the Program Manager to MDA-DRD Monitoring for review and comments. The Closeout Package is then submitted to Finance for review and confirmation that the grant expenditures match the State's accounting and data input for HUD's DRGR System.

Once these reviews are completed and any deficiencies corrected, the final Closeout Package is submitted to the MDA-DRD Director and MDA Senior Administration for review and approval. Upon approval, one copy of the Closeout Package is forwarded to MCJ with the original retained by MDA-DRD. This will complete the subgrant closeout process.