

APPENDIX C

Substantial Action Plan Amendment Policy

State of Louisiana

Certification Checklist

Prepared by



Substantial Action Plan Amendment Policy Louisiana Office of Community Development

Summary: The purpose of this policy is to define the guidelines OCD will follow to revise any budget and program plans through Action Plan Amendments.

Applicable Laws: None

The following policy applies to both CDBG Disaster Recovery (CDBGDR) and CDBG Mitigation (CDBGMIT) grant funds.

The Louisiana Office of Community Development (OCD) will work with HUD in respect to key project attributes, including budget, scope and objectives. Collectively, such changes constitute "**substantial action plan amendments**". As potential changes are proposed and considered, OCD will provide appropriate notice to HUD and, when warranted, submit preliminary information to HUD for review and feedback prior to the adoption of such amendments.

Proposed changes that meet that definition of a substantial amendment (i.e. those that result in a change in program benefit or eligibility criteria, the allocation or re-allocation of more than \$1 million, or the addition or deletion of an activity) will be submitted to HUD for review and approval following the required public comment period.

OCD will seek HUD approval for the following changes to a non-construction award:

- Change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval).
- Change in a key person specified in the application or the Federal award.
- The disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator.
- The inclusion, unless waived by HUD, of costs that require prior approval in accordance with Subpart E–Cost Principles of 2 CFR part 200, or 45 CFR part 75 Appendix IX, Principles for Determining Costs Applicable to Research and Development under Awards and Contracts with Hospitals, or 48 CFR part 31, Contract Cost Principles and Procedures, as applicable.
- The transfer of funds budgeted for participant support costs as defined in §200.75, Participant support costs, to other categories of expense.
- Unless described in the application and funded in the approved Federal awards, the subawarding, transferring or contracting out of any work under a Federal award,

including fixed amount subawards as described in §200.332, Fixed amount subawards (this provision does not apply to the acquisition of supplies, material, equipment or general support services).

- Changes in the approved cost sharing or matching provided by the Grantee.
- The need arises for additional Federal funds to complete the project.

Furthermore, OCD will seek HUD approval when one of the following applies to a construction award:

- The revision results from changes in the scope or the objective of the project or program.
- The need arises for additional Federal funds to complete the project.
- A revision is desired which involves specific costs for which prior written approval requirements may be imposed consistent with applicable OMB cost principles listed in 2 CFR part 200, Subpart E–Cost Principles.

OCD will submit a written request to HUD outlining the proposed change(s) along with appropriate supporting documentation and background information. No actions will be taken until approval is received from HUD. Upon approval, OCD will move forward with the proposed change(s) and will notify HUD of any deviation from those changes HUD formally approved.

All amendments, both substantial and non-substantial, will be posted on the OCD website in sequential order after HUD has given final approval.

Responsible Party: The responsible party for substantial Action Plan Amendments for both CDBGDR and CDBGMIT grants will be the Program Director and may be contacted at 225-219-9600.