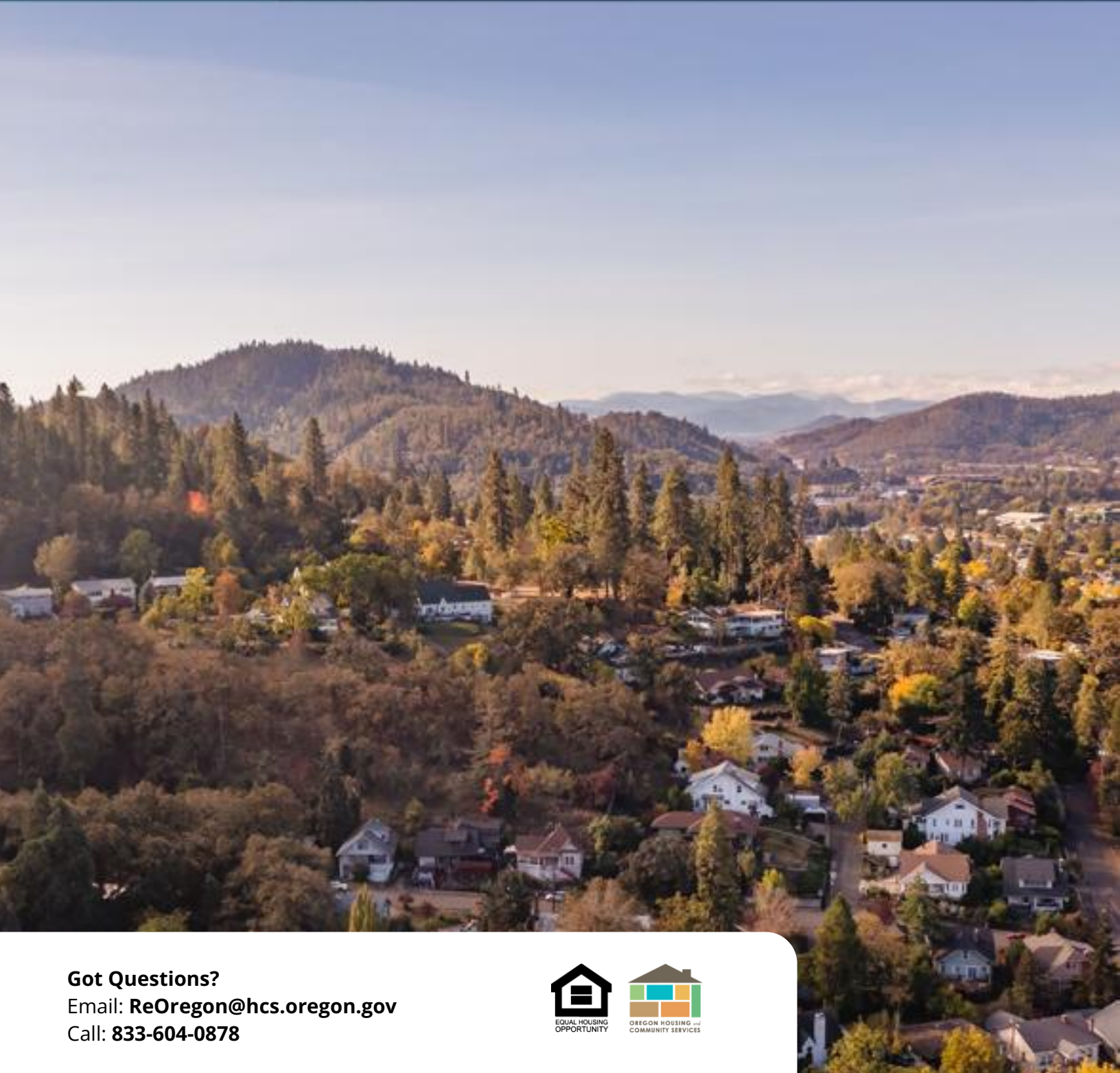


Legal Services Program Policy Manual

June 2025



Got Questions?
Email: ReOregon@hcs.oregon.gov
Call: **833-604-0878**



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Version History and Version Policy

The version history of the policy manual is tracked in the table below, with notes for each change. The dates of each publication are also tracked in the table.

OHCS will publish a new version after making substantive changes that reflect a policy change. The updated policy manual will be assigned a new primary version number such as 2.0, 3.0, etc.

After making non-substantial changes, such as minor wording and editing or clarification of existing policy that do not affect the interpretation or applicability of the policy, OHCS will publish a version of the document with a sequential number increase behind the primary version number such as 2.1, 2.2, etc.

Amendments made to policy may go into effect on the date of the revision or may be applied retroactively, depending on the Applicant pipeline and status of Applicants in the Program intake and recovery process. Whether a policy will be applied proactively or retroactively will be detailed in the version history below and/or within the relevant Program sections.

Version Number	Date Revised	Key Revisions
1.0	03/03/2025	Initial Draft Submitted to HUD
2.0	06/16/2025	Updated the HUD Approved Policy to reflect changes following subrecipient discussions. Changes were made to: <ul style="list-style-type: none">- Program Summary to streamline and clarify the program structure.- Program Allocation and Eligible Uses of Funds to establish cost-reasonable attorney fees.- OHCS Responsibilities include participant referral, national objective determination, and environmental reviews.- Subrecipient Responsibilities to modify reporting expectations and remove reference to national objective.- Environmental Review to establish OHCS will conduct the review and Subrecipient must wait for the NTP.

Purpose and Overview of the Program

1 Purpose and Overview of the Program

1.1 Use of this Document

This document is a high-level policy manual created by Oregon Housing and Community Services (OHCS) for its subrecipients to understand the requirements that must be followed in the administration of Legal Services that are funded by Community Development Block Grant Disaster Recovery (CDBG-DR) funds from the Department of Housing and Urban Development (HUD). This manual is intended to highlight the key areas of compliance for OHCS subrecipients; however, these funds are subject to all applicable rules, regulations, waivers, and requirements, including those in [87 FR 6364](#) and the State's CDBG-DR Public Action Plan, as amended; and therefore this manual and compliance requirements may need to be updated over the life of the program.

OHCS expects its subrecipients to maintain their own program policies and procedures, or to adopt this manual for use, for OHCS subrecipients to follow to ensure compliance with all requirements herein.

1.2 Program Authorization

Legal service activities are funded through HUD's **Community Development Block Grant - Disaster Recovery (CDBG-DR)** Program, as appropriated by Congress in response to the 2020 Labor Day Wildfires and Straight-line Winds (DR-4562 or disaster). Assistance for 2020 disasters was appropriated on October 29, 2021, by the Extending Government Funding and Delivering Emergency Assistance Act of 2021, the Disaster Relief Supplemental Appropriations Act of 2022, and any applicable future allocations. CDBG-DR grants are authorized under Title I of the Housing and Community Development Act of 1974 (HCDA) for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation in the **Most Impacted and Distressed** (MID) areas resulting from a major disaster. HUD maintains all federal rules, regulations, and documents related to the CDBG-DR allocation to the State of Oregon. These can be accessed online at www.HUDexchange.info and <https://www.hudexchange.info/Programs/cdbg-dr/cdbg-dr-laws-regulations-and-federal-register-notices/>.

1.3 Program Summary

The State of Oregon's CDBG-DR Public Action Plan ("the Plan"), as amended, provides funding for legal services eligible under Community Development Block Grant-Disaster Recovery (CDBG-DR) funds, allocated as a public service program: Legal Services Program. The program will provide funding to qualified legal aid and/or legal services providers to deliver the assistance necessary to help impacted residents transition to more permanent housing. The legal aid and/or legal services providers shall enter into agreement with OHCS and will be Subrecipients under the program.

Legal services are a critical component of comprehensive disaster relief. This program will provide access to legal services to help impacted residents attain legal representation necessary to resolve legal issues that may be resulting in the denial of recovery resources and/or delays to their recovery. These legal services will assist at-risk disaster survivors in the efforts to secure stable and affordable recovery housing by helping to navigate the legal challenges that serve as barriers to recovery housing.

Eligible participants under the various ReOregon housing programs will be referred to the selected legal aid and/or legal service partners to provide legal assistance ("eligible activities"), as detailed in Section 2.4.2. The Subrecipient will perform an initial screening with eligible participants to confirm the case type parameter. Based on the screening, the Subrecipient will then match the participant with an attorney with the subject matter of the legal issue to provide the necessary legal services. The matched attorney will help eligible participants overcome the many challenges or barriers that restrict access to recovery opportunities through the following types of legal services:

- Replacing identification papers
- Working through insurance claims
- Clearing property titles and working through heirship and probate
- Fighting unlawful evictions and foreclosures
- Combating contractor scams and fraud
- Assistance with school transfers
- Obtaining emergency child custody, visitation, support, and other court orders requiring modification as a result of displacement, injury, or job loss
- Other legal services related to recovery, referred to by one of the other CDBG-DR programs

1.4 Program Allocation and Eligible Uses of Funds

The total program allocation for legal services is \$6,017,575. Funds are limited to expenses reasonably and necessarily incurred in performing the activities required within this policy necessary to carry out the Legal Services Program.

The State will work directly with selected Subrecipients to establish a payment structure that supports their administrative structure. Subrecipients will establish the cost reasonableness of each case referred and track basic case details for reporting. Attorneys providing legal services will charge fees in accordance with the Subrecipient policies created for the program. If representation exceeds the scope outlined in the policies, the attorney will request an exception in writing explaining the reason for the request. The Subrecipient will work with OHCS to grant or deny any exception requests, to establish cost reasonability.

1.5 Method of Distribution

In accordance with the State's Public Action Plan, as amended, the provision of legal services may be administered by OHCS directly, through interagency agreement, and/or by Subrecipients. While OHCS intends to mainly enter into agreements with Subrecipients, there may be regions or communities in the disaster impacted areas where services may only be available through OHCS.

1.6 Roles and Responsibilities

1.6.1 OHCS Responsibilities

OHCS is responsible for:

- Complying with all applicable state and federal requirements contained in this document and within any applicable Subrecipient Agreements (SRAs), Interagency Agreements, and any other contractual arrangements between OHCS and their Subrecipients.
- Providing information to Subrecipients on:
 - ReOregon policies and procedures relevant to the legal services provided under this Agreement; and
 - ReOregon program rules and eligibility criteria to enable Subrecipients to understand the population of referrals for the Legal Services Program.
- Referring eligible participants to the Subrecipient to provide legal assistance, and confirming the national objective.

- Ensure that at least 51% of program beneficiaries qualify as low- or moderate-income (defined as having gross household income no greater than 80% of area median income (AMI) as published by HUD for the relevant county).
 - Coordinate and prepare all necessary information to file for an exemption from Environmental Review for the grant activities in accordance with 24 C.F.R. Part 58 regulation.
- Meeting all HUD reporting requirements, including the compiling, preparing, and submitting of any and all reports.
- Meeting with its Subrecipients at least quarterly, or as needed, to coordinate efforts on program implementation for the purpose of promoting the success of OHCS' ReOregon program(s).
- Providing technical assistance to Subrecipient staff on ReOregon program implementation including compliance with HUD CDBG-DR rules, statutes, and regulations.
- Monitoring Subrecipient for program compliance.

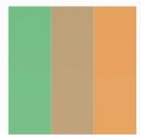
1.6.2 Subrecipient Responsibilities

OHCS subrecipients are responsible for implementing CDBG-DR funded Legal Services Program as follows:

- Comply with all applicable state and federal requirements contained in this document, in Subrecipient Agreements, and within any Interagency Agreements or other contractual documents.
- Assess, classify, and document Survivors' legal needs as they relate to recovery and accept eligible fire-impacted Survivors in the wildfire impacted communities of Clackamas, Douglas, Jackson, Klamath, Lane, Linn, Lincoln, and Marion counties. All legal services must be within the bounds of the applicable programs provided for under the public services section of the Public Action Plan, as amended.
- Assist referred participants for ReOregon programs who are in need of legal services provided under the program.
- Complete and submit a monthly report by the 15th of each month for the previous month, or in accordance with reporting requirements detailed in the SRA. The report must be submitted in the form and with the content specified and required by OHCS. OHCS will notify subrecipients in writing of the guidelines and requirements applicable to the submittal of reports.
- Meet with OHCS at least quarterly, or as either Party may need, to coordinate efforts on program implementation for the purpose of promoting the success of OHCS' ReOregon program.

- Comply with all applicable HUD and CDBG-DR rules, regulations, and statutes, including documenting the summary of case status (cases referred, concluded, etc.), subject matter categorization, hours committed, length of case, amounts billed, and other basic case details for each referred participant. Such documentation must be provided to OHCS or HUD, as those entities may request, within ten (10) business days of a request.
- Ensure that all expenditures funded are eligible legal service activities under OHCS's Action Plan, CDBG-DR regulations, and these program guidelines. Ensure that all grants, contracts, and other agreements made with funding from this Agreement include appropriate language requiring compliance with all applicable HUD and CDBG-DR rules, regulations, and statutes.
- Monitor sub-grantees, if applicable, for program compliance.

CDBG-DR



and OHCS

Requirements

2 CDBG-DR and OHCS Requirements

2.1 Geographic Eligibility

OHCS and its subrecipients must use funds to benefit participants (or beneficiaries) impacted by the disaster in the HUD- and Grantee-identified MIDs and who have not achieved a permanent housing solution.

- HUD-identified MID counties: Clackamas, Douglas, Jackson, Lane, Lincoln, Linn, and Marion
- Grantee-identified MID counties: Klamath

2.2 Eligible Applicants

To be eligible for the Legal Services Program, applicants must have been referred to the legal aid and/or legal services provider and must meet the following criteria:

- Beneficiaries must be a renter or homeowner **actively participating** in one of the other CDBG-DR housing programs, including Intermediate Housing Assistance (IHA), Affordable Housing Development (AHD), Down Payment Assistance (DPA), Homeowner Assistance and Reconstruction Program (HARP), and Housing and Recovery Services (HRS), and must have a household income at or below 120% AMI; however, not less than 51% of all program participants must have a household income at or below 80% AMI to meet the CDBG National Objective of activities benefiting limited clientele of Low- and Moderate Income (LMI), as noted in Section 2.3.

2.3 National Objective

Assistance provided under the Legal Service Program referenced herein will meet the national objective of benefiting LMI persons, limited clientele. To meet this national objective, OHCS and/or its subrecipients must ensure that at least 51% of program beneficiaries qualify as LMI (defined as having gross household income no greater than 80% of area median income as published by HUD for the relevant county).

OHCS must ensure this requirement is met through monitoring and regular beneficiary reviews. Subrecipients must submit OHCS-required reports that break out beneficiaries per HUD requirements using the following income ranges and categories:

- 0%–30% AMI Extremely Low
- 31%–50% AMI Very Low

- 51%–80% AMI Low
- 80.1%–120% AMI: Non-LMI (does not contribute to the 51% requirement)

2.4 CDBG-DR Eligible Activities

The services provided under the Legal Services Program are allowed under the Housing and Community Development Act of 1974 (HCDA) Section 105(a)8.

Eligible expenses and activities include those actual, necessary, and reasonable costs related to performing legal services and delivering goods required, subject to all eligible and ineligible activities listed at 2 CFR 200 and 24 CFR Part 570.

OHCS and/or its subrecipients must include in their policies and subrecipient agreements specific eligible activities that may be paid for under the legal services activities detailed in the manual, as provided in the Public Action Plan, as amended.

2.4.1 Public Service: New or Expanded Activity

The purpose of the CDBG-DR funded legal services program is to provide expanded or extended services to survivors affected by and continuing to recover from the 2020 Labor Day Fires. OHCS has recognized the importance of providing on-going supports to the individuals and households displaced during the fires that continue to be without permanent housing and are facing evolving and changing recovery, housing, and legal support needs that for many looks very different than at the beginning of their recovery.

2.4.2 Legal Services Eligible Activities

Through the Legal Services Program, OHCS will provide funding to qualified legal aid and/or legal services providers to deliver the assistance necessary to help impacted residents transition to more permanent housing. In the aftermath of a disaster, legal services are a critical component of comprehensive disaster relief. Legal resources are often unattainable and/or unaffordable to Latine, black, indigenous, and people of color, HUD-defined vulnerable populations, and LMI households as they work through the challenges of recovery that require legal representation, support, and/or analysis. Failure to resolve these legal issues often results in the denial of recovery resources and/or delays to recovery; these delays and denials disproportionately impact communities of color and individuals with limited English proficiency.

The Legal Services program will help eligible applicants, as described in Section 2.2, overcome many of these challenges and overcome barriers that restrict access to recovery opportunities through the following types of legal services:

- Replacing identification papers;
- Working through insurance claims;
- Clearing property titles and working through heirship and probate;
- Fighting unlawful evictions and foreclosures;
- Combating contractor scams and fraud;
- Assistance with school transfers;
- Obtaining emergency child custody, visitation, support, and other court orders requiring modification as a result of displacement, injury, or job loss; and
- Other legal services related to recovery through one of the other CDBG-DR programs.

In addition to the above referenced legal services, eligible activities also include the costs necessary to implement and carry out the Legal Services Program, as allowable under 24 CFR Part 200, 24 CFR 570.201(e), Section 105(a)(8) of the Housing and Community Development Act (HCDA), and CDBG-DR regulations.

2.5 Equity and Racial Justice

OHCS is committed to advancing equity and racial justice through the Legal Services Program. Disaster-impacted households are facing monumental challenges and are making life changing decisions related to housing and their household finances. Due to financial pressures, insufficient insurance, confusing application processes, lack of affordable housing, and other circumstances, many households are forced to make quick decisions, even as they are reeling from the shock and confusion that accompanies a disaster and the long recovery process that households have faced since the disaster. These decisions can have long-term consequences, particularly for those impacted residents with access to the fewest resources and Oregon's most vulnerable populations. One way of achieving this commitment and goal is to remove as many barriers and unnecessary steps as possible for low-income individuals and households, Latino/Latina/Latine individuals and households, individuals living with disabilities, single parents, people of color, and other protected classes who have faced historic discrimination or limited access to recovery resources.

Within their policies and procedures, OHCS subrecipients are required to describe and document how their services reduce or remove barriers and promote equity in recovery for vulnerable populations and underserved communities. In addition, as part of HUD reporting requirements, subrecipients are required to report on the race and ethnicity of all beneficiaries supported through the activities carried out under the legal services program.

2.6 Title VI Notice, Section 504, Civil Rights Act, Fair Housing and Accommodating Persons with Limited English Proficiency

2.6.1 Title VI

OHCS, agencies, subrecipients, contractors, and subcontractors who receive federal or state financial assistance for their programs and services must comply with Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000(d) et seq.; Executive Order 13166; and the U.S. Department of Labor Revised Guidance Regarding the Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient (LEP) Persons.

2.6.2 Section 504 and Civil Rights

Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990 and related federal and state laws and regulations forbid discrimination against those who require accommodation to access facilities, services, and programs. Furthermore, these laws require subrecipients to take affirmative steps to reasonably accommodate ADA-qualified individuals and ensure that their needs are equitably represented in programs, services, and activities, including in disaster recovery, resiliency, and mitigation.

2.6.3 Fair Housing Act

The Fair Housing Act requires all agencies and Subrecipients funded in whole or in part with HUD financial assistance to certify that no person was excluded from participation in, denied the benefit of, or subjected to discrimination in any housing program or activity because of their age, race, color, creed, religion, familial status, national origin, sexual orientation, military status, sex, disability, or marital status. OHCS subrecipients must include in their Legal Service Program policies how they will:

- Comply with and enforce the Civil Rights requirements of Title I of the Housing and Community Development Act (HCDA) and the Fair Housing Law;
- Prioritize supports to protected classes or individuals challenged in achieving eligibility or realizing benefits.

2.6.4 Accommodating Persons with Limited English Proficiency

Subrecipients must either adopt and describe in their policies how they will follow [OHCS's CDBG-DR Language Access Plan \(LAP\)](#); or subrecipients can develop their own plan to ensure individuals with Limited English Proficiency (LEP) receive the language assistance they need to participate in DCMP. This can include:

- Translation of vital documents into Spanish
- Language Line Services
- Language Bank
- I Speak Cards for individuals whose first language is not English
- Bilingual Disaster Case Managers (DCMs)
- LEP outreach and engagement

2.7 Applicant Outreach, Engagement, Intake, Support, and Closeout Processes

Subrecipients are required to include policies and procedures that detail any outreach and engagement steps or requirements taken to engage survivors who have not recovered, how survivors may apply for support services, limitations and requirements for receiving services, and exit or closeout processes for survivors receiving services as listed herein.

2.8 Duplication of Benefits

Section 312 of the Stafford Act prohibits any person, business, or other entity from receiving duplicative financial assistance for the same disaster recovery purpose from multiple sources of federal and other support (42 U.S.C. 5155(a) and (c)). Duplication occurs when an entity receives assistance from multiple sources for a cumulative amount that exceeds the total need for a particular disaster recovery purpose. The amount of the duplication is the amount of assistance provided in excess of need.

Subrecipients are required to include policies and procedures for ensuring that no duplication of benefit occurs for subrecipients and/or beneficiaries receiving services under the programs listed herein.

2.9 Appeals, Complaints and Section 504 Complaints and Grievances

Subrecipients are required to have a written process for addressing applicant grievances for decisions, including termination or reduction of services, denial of services or other grievance. At a minimum, the process must include the following components:

2.9.1 Program Appeals

Subrecipients must describe the appeals process for applicants or participants to appeal decisions made by subrecipients.

2.9.2 Program Complaints

Subrecipients must keep a record of each complaint received. Upon receipt of the complaint, staff must log the complaint and respond to the complainant within fifteen (15) business days where practicable.

2.9.3 Section 504 Complaints and Grievances

Section 504 prohibits discrimination on the basis of disability in programs receiving federal financial assistance, in federal employment and in the employment practices of federal contractors. Each subrecipient must designate a Section 504 Coordinator and publish their contact information and include a process for filing a grievance, such as:

- Applicants may file grievances alleging Section 504 violation in writing with the Program within 180 calendar days of the alleged violation. Grievances must include detailed information to allow an investigation, including:
 - Alleged violation date, location, and description of the problem
 - Applicant name, address, telephone number, and Applicant ID, if applicable
- Once a grievance is received, the Subrecipient will contact the applicant within three (3) to five (5) business days, by phone or in writing, to acknowledge receipt of the grievance, and to arrange for the Section 504 Coordinator to meet with the complainant to discuss the grievance and possible resolution. Within fifteen (15) business days after the meeting, the Section 504 Coordinator will respond in writing. The response shall be in a format accessible to the complainant (such as large print or audio tape). The response will explain the position of the Subrecipient and offer options for resolving the grievance.

2.9.4 Complaints of Fraud, Waste, or Abuse

Complaints alleging the violation of fair housing laws will be directed to HUD for immediate review. Complaints regarding fraud, waste, or abuse of government funds should be forwarded to the HUD Office of the Inspector General Fraud Hotline (phone: 1-800-347-3735 or email: hotline@hudoig.gov). Subrecipients will make available to OHCS detailed Fraud, Waste, and Abuse Policies and Procedures to demonstrate that adequate procedures are in place to prevent fraud, waste, and abuse.

2.10 Data Sharing and Referrals to Other Recovery or Assistance Programs

OHCS will establish processes and data sharing agreements with county and local Subrecipients, CBOs, Long Term Recovery Groups, public housing authorities, and other providers for referring participants to services and/or supports for which they may qualify.

OHCS and its subrecipients will develop a process and data sharing processes for referring program participants to ReOregon or other state recovery programs managed by OHCS.

Subrecipients shall share specific participant PII with OHCS, as is necessary, to carry out any assistance or service for the benefit of the participant. Subrecipients may disclose this PII to OHCS with an authorized Release of Information (ROI) from the participant.

2.11 Confidentiality and Personally Identifiable Information

Subrecipients must have policies and procedures to maintain all participant information and records securely and confidentially. Confidential records include applications, records, files, and communications relating to participants.

Subrecipients must have procedures for ensuring confidentiality in electronic collection of participant information, including:

- Computer terminals must be in a secure location, limiting access to only those persons who have a legitimate interest in and are responsible for participant records;
- Computer monitors must be cleared (or a screen saver activated) immediately after accessing a participant record;
- Computer terminals must be on a “locked” mode or turned off if the terminal is unattended; and

- Access to personally identifiable data shall be given to only authorized personnel as necessary for performing the work required for CDBG-DR-funded programs.

Personally, Identifiable Information (PII) is protected by federal laws (Privacy Act of 1974, as amended) and will be collected for the purpose of providing assistance/service, reporting and monitoring. PII is information that can be used to distinguish or trace individual's identities. Examples of PII include names, addresses, income verification documents, disability status, employment status, etc., which can be linked or is linkable to a specific applicant and/or Applicant of the Program. As the Subrecipient receives direct applications from applicants requesting assistance, the Subrecipient keeps all PII information for the duration of the project in the system of record.

If records containing PII are subject to Freedom of Information Act or Oregon Public Records Law requests, Subrecipients shall only release such records in accordance with state and federal law. The Program, including Subrecipients, shall only store PII records as long as is necessary, in accordance with record retention requirements at 2 CFR part 200.333 and 24 CFR part 570.502(a)(7).

2.11.1 File Security

Subrecipients must have adequate procedures in place to collect and process participant-provided information and to handle PII properly and with sufficient protection. Subrecipients will:

- Maintain all records in an electronic format
- Secure all files to ensure privacy of all applicant PII located within the files
- Save electronic files containing PII in password protected electronic folders
- Back up files on a routine basis

Required reports to HUD and/or OHCS may include participant identification numbers or property addresses, but will not include unique identifiers such as social security number, names, date of birth, etc.

2.12 Equal Employment Opportunity

Executive Order 11246 (EO11246), Equal Employment Opportunity, as amended, prohibits federal contractors and federally assisted construction contractors and subcontractors, who do over \$10,000 in government business in one year from discriminating in employment decisions on the basis of race, color, religion, sex, sexual orientation, gender identity or national origin. The Executive Order also requires government contractors to

take affirmative action to ensure that equal opportunity is provided in all aspects of their employment. Subrecipients will be required to execute a certification indicating compliance with EO11246.

2.13 Procurement

Subrecipients must follow federal, state, and local procurement standards including procurement standards set forth at 2 CFR 200.317-200.327. Whenever procurement processes conflict, entities must comply with the more stringent regulation.

2.14 Conflict of Interest

In accordance with 24 CFR 570.489(h), 24 CFR 570.611, 2 CFR 200.317-318, and 2 CFR 200.112, no covered persons (defined as an employee, agent, consultant, officer, or elected official who exercise or have exercised any functions or responsibilities with respect to CDBG-DR activities assisted, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities), may obtain a financial interest or benefit from a CDBG-DR assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-DR assisted activity, or with respect to the proceeds of the CDBG-DR assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter.

Covered persons who have a potential or actual conflict of interest in relation to activities funded in whole or in part with CDBG-DR are required to disclose this potential or actual conflict to OHCS. This policy and requirement must be included in DCMP program policies and procedures.

2.15 Fixed Assets (Personal Property): Reporting, Tracking, and Disposition

If a subrecipient receives funds to purchase equipment or personal property with a life of more than one year and an acquisition cost of \$5,000 or more, they will be required to manage these assets and to ensure that the assets continue to be used for their intended purposes in accordance with the CDBG-DR regulations and property standards.

Subrecipients must maintain appropriate records of their assets, whether in their possession or in the possession of a sub-awardee organization. Specifically:

- For personal property, subrecipients must maintain a fixed assets ledger that includes: a description of the property; any identifying information such as a serial

number; the funding source (grant number); the acquisition date and cost; the federal share of the cost; and the location, use, and condition of the property; and disposition data. Subrecipients are required to conduct a physical inventory of personal property biannually to ensure that the property is being maintained in good condition and that there are procedures in place to prevent loss, damage, or theft of the property.

Prior to disposing of any equipment purchased with CDBG-DR funds, subrecipients must request disposition instructions from OHCS.

2.16 Environmental Review

Programs included in this policy manual are exempt under 24 CFR Part 58.34(a) – per the language below:

§58.34 Exempt activities.

Except for the applicable requirements of §58.6, the responsible entity does not have to comply with the requirements of this part or undertake any environmental review, consultation, or other action under NEPA and the other provisions of law or authorities cited in §58.5 for the activities exempt by this section or projects consisting solely of the following exempt activities:

4. Public services that will not have a physical impact or result in any physical changes, including but not limited to services concerned with employment, crime prevention, child care, health, drug abuse, education, counseling, energy conservation and welfare or recreational needs;

OHCS will coordinate and prepare all necessary information to file for an exemption from Environmental Review for the grant activities in accordance with 24 C.F.R. Part 58 regulation. OHCS may request documentation from the Subrecipient to ensure compliance with §58.6 and will complete all necessary documentation and requirements to ensure compliance with §58.6. The Subrecipient will not begin any actions related to the grant activities until the environmental review process is completed and Subrecipient has received written approval and Notice to Proceed from OHCS, provided from OHCS as an official eligible participant.

2.17 Records Requirement, Monitoring and Reporting

All Subrecipients are required to maintain their project and Program files within the applicable system of record as detailed in their SRA. All project-related documents, correspondence and records must be in the file for each participant. Subrecipient must

submit reports, as required by OHCS, and in accordance with the requirements detailed in program specific subrecipient agreements.

OHCS shall monitor subrecipients per OHCS CDBG-DR Monitoring and Compliance Plan. Subrecipients are required to monitor any sub-grantees, if applicable, to ensure compliance. When OHCS monitors subrecipients, it will include a review of any sub-grantee monitoring performed by subrecipients.

Subrecipients shall create and maintain records documenting their performance. The Oregon Secretary of State's Office, the federal government, OHCS, and their duly authorized representatives shall have access to the books, documents, papers, and records of subrecipients that are directly related to the programs provided herein for the purposes of making audit, examination, excerpts, and transcripts for a period of six years after termination of this Agreement.

Subrecipients shall retain all Program records pertinent to legal services and expenditures incurred in a manner consistent with the requirements of state and federal law. This includes, but is not limited to, those requirements listed in 2 CFR 200 and 24 CFR Part 570.

Subrecipients shall retain and keep accessible all such fiscal and Program records, participant records, digital and electronic records, books, documents, papers, plans, and writings for five (5) years after the closeout of the grant between HUD and OHCS, or such longer period as may be required by applicable law, whichever date is later.

2.17.1 Participant Files

Documentation of participant eligibility and services received must be maintained in participant case files, within the applicable system of record, by the assigned Subrecipient. This includes documentation for participants found to be ineligible for services or for participants who are no longer receiving or are no longer eligible to receive services, and shall include the participant's request for services, why they are ineligible, and how it was communicated to the applicant.

OHCS will use Subrecipient program policies and procedures and file documentation as the basis for monitoring to ensure subrecipients follow program requirements and regulations.

2.18 Closeout

Subrecipients must submit a reconciliation of funds and a final performance report to OHCS. OHCS may request additional information from subrecipients before closing out the program.