



NON FEDERAL COST SHARE UPDATES AND CLARIFICATIONS

Section 504

Compliance with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 754) requires that grantees shall operate each program or activity receiving Federal financial assistance so that the program or activity, when viewed in its entirety, is readily accessible to and usable by individuals with handicaps.

Section 504 provides that “No otherwise qualified individual with handicaps in the United States shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.”

All grantees have to complete a Section 504 Assurance unless **all projects** were completed prior to April 4, 2017. Grantees with a project that is underway or started after April 4, 2017, must submit an assurance to OCD-DRU that the CDBG DR program will be operated in compliance with Section 504 requirements. Additionally, if a grantee employs **15 or more** persons: Designate a Section 504 Coordinator and adopt a Section 504 Grievance procedure. Publicly post or publish a statement of compliance that it does not discriminate on the basis of handicap. Initial notification within 90 days of OCD-DRU award.

Fair Housing

Fair Housing applies to jurisdictions (parishes and municipalities) and housing authorities: Recipients of CDBG DR funds have a responsibility to affirmatively further fair housing even they aren't running a housing program. Conduct at least 1 activity annually to Affirmatively Further Fair Housing (AFFH) such as Information Outreach: posting flyers, distributing brochures, utility bill stuffers, or newspaper advertisements. Training Seminars for the General Public, Landlords, Real Estate Brokers and Real Estate Lenders to discuss Fair Housing laws. Provide assistance with housing discrimination complaints.

Procurement

Non-state applicants must follow the procurement requirements found at 2 CFR 200.317 – 200.326. In certain situations, Governor's Office of Homeland Security (GOHSEP) may prepare a Cost Analysis to establish cost reasonableness of the cost and profit elements for certain contracts when adequate price competition is lacking.

Please note, the OCD-DRU will **only** accept this Cost Analysis in lieu of proper procurement on **Categories A & B** when projects contain language reflective of exigent or emergency situations.

Failure to follow federal contracting and procurement requirements puts grantees at risk of not receiving reimbursement for otherwise eligible disaster costs.

Section 3

The requirements of Section 3 typically apply to recipients of HUD funds that will be used for housing construction, rehabilitation, or other public construction. The Section 3 requirements apply to recipients of Housing and/or Community Development Assistance exceeding \$200,000 combined from all sources in any one year. If Section 3 of the HUD Act of 1968 is triggered for the applicant, contractors/subcontractors whose contracts **exceed** \$100,000 must also comply.

This requirement applies to ALL types of contractors/subcontractors; it is NOT limited to construction-related contracts only. For example, if a Grantee solicits for grant management services, the Section 3 requirements must be included in the advertisement, RFP and contract if the contract is estimated to exceed \$100,000 and the costs for all projects total more than \$200,000.

Please review the updated Frequently Asked Questions Example Scenario 3 for additional guidance.

Donated Resources

Donated Resources are applied to the cost share and can potentially cover up to 100% of the match amount.

As per the FEMA Public Assistance Program and Policy Guide (PAPPG), individuals and organizations often donate resources (equipment, supplies, materials, or labor) to assist with response activities. The Grantee may use the value of donated resources to offset the non-Federal share of its eligible Emergency Work projects and Direct Federal Assistance.

FEMA prepares the donated resource project separate from the Emergency Work projects for the Grantees incurred costs. FEMA does not obligate the donated resource project until after it obligates all of that Grantee's Emergency Work projects. The value of the federal obligated donated resources will be deducted from the required match amount and any remaining eligible match percentage may be eligible for the CDBG-DR Non-Federal Match Program.