Final Application
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A. INTRODUCTION

INTRODUCTION

What now?

By this stage of developing a self-help housing program, you should already have an approved Preapplication. What more could they want, you may be asking yourself? Well, the answer to that is a lot.

The Preapplication has proved that need and capacity exists and set the stage for developing a self-help housing program. Everything that was done in the Preapplication now has to be taken to the next level. By the time the Final Application is approved, an organization should be one month away from beginning construction on the homes. This means that an organization needs participants ready to close their loans, house and site plans, cost estimates, land and prepared staff.

The rough time frame needed to complete a Final Application is six months, although some may take considerably longer. A lot of this depends on how much work was put into the Preapplication.

This handbook covers not only the items needed for the Final Application, but helpful tips on how to get them accomplished, as well as some things that should be done while the grant is getting approved.

Rural Development

Rural Development has four office levels: the National Office, State Office, Area Office, and Local Office. It is the State Office that will approve or disapprove your 523 Grant Application (if there is money available). If the Grant request exceeds $300,000 prior written consent from the National Office will also be required.

However, your organization will, most likely, be working directly with the State, Area and Local Offices. The State or Area Office is your primary contact with regards to the 523 Grant. They are responsible for ensuring that the Grant is effectively managed and run according to regulations. The Local Office is responsible for making, then servicing First-Year Section 502 Rural Housing Loans. Your organization will be working with them on behalf of the participants.

Rural Development does provide administrative funds and affordable construction mortgage loans to participants, but the grantee can also expect to receive help from them throughout the program. They provide this help through their skilled staff members and contractors. Construction inspectors, a state architect, state engineer, and other housing specialists are among such helpers.

Rural Development also expects grantees to operate within their regulations and carry out the responsibilities of the Grant Agreement. Some of these responsibilities are:

- recruiting very-low income applicants and applicants from substandard housing,
- building the number of houses proposed,
- building the houses in a timely manner,
- keeping program costs within the required limit,
- making sure that the participants provide labor to houses other than their own, and
- setting up an acceptable accounting system.

BEST PRACTICE - It can't be overemphasized how important an organization's working relationship is with Rural Development. This relationship is critical to the success of the program.

BEST PRACTICE - NCALL is here to help organizations throughout the application process and the administering of the self-help program. Please use us as a resource anytime assistance is needed.

B. FINAL APPLICATION FORMAT

Final Application Format

Required Format

The format of the application is very important. Rural Development requires that the information be in a specified order. Additionally, the application needs to be submitted to all parties in a three-ring binder, with a table of contents and tabbed sections. The tabbed sections need to correspond with the item numbers on the following checklists.

Included in this section is the most recent copy of a Rural Development AN which details the required format. Following that section is the checklist that NCALL uses to review applications.

BEST PRACTICE -This checklist has more detail and will help you in assembling the application to make sure all of the requirements are met.

RD AN No. 4387 (1944-I)
August 28, 2008

TO: All State Directors

ATTENTION: Rural Housing Program Directors
Rural Development Area Specialists
Rural Development Area Directors

FROM: Russell T. Davis ***(Signed by Russell T. Davis)***
Administrator
Housing and Community Facilities Programs

SUBJECT: Self-Help Technical Assistance Grants Administration

PURPOSE/INTENDED OUTCOME:

This Administrative Notice (AN) provides guidance regarding the processing of Self-Help technical assistance grants. The intended outcome is to improve the consistency of processing pre-applications and applications for mutual Self-Help grants.

COMPARISON WITH PREVIOUS AN:

This AN replaces RD AN No. 4304 (1944-I) dated August 9, 2007, which expires August 31, 2008.

IMPLEMENTATION RESPONSIBILITIES:

Pre-Application Processing Checklist: Attachment 1, "Pre-application Processing Checklist", provides a general checklist for use by the State, and Area Offices. New grantees to the Self-Help program are encouraged to submit pre-applications following this checklist. It will assist in processing grants and assuring all requirements under RD Instruction 1944-I are met.

EXPIRATION DATE:
September 30, 2009

FILING INSTRUCTIONS:
Preceding RD Instruction 1944-I

Application Processing Through Grant Closing Checklist: Attachment 2, "Application Processing Through Grant Closing Checklist", provides a general checklist for use by the State, and Area Offices. New applicants and existing Grantees applying for another grant are encouraged to submit their application following this checklist.

This checklist will assist in the processing of Self-Help applications and assure all requirements under RD Instruction 1944-I are met. If processing checklists are already in place, they should be reviewed to make sure they are in compliance with the regulations and include the items in Attachments 1 and 2.

The checklists include some items that may not apply to all applicants' situations. For instance, some applicants will not have a sponsor. Other differences may include the requirements for private nonprofit agencies versus public bodies. If a line item is not applicable, it should be marked "N/A". Specific procedural references are provided for your convenience.

The Technical and Management Assistance Provider for your state must conduct a thorough review of each pre-application and application prior to the Agency's eligibility determination of the grant application package.

Uniform Letter of Conditions: Attachment 3, "Letter of Conditions", is a letter for use by the state for applicants who have submitted pre-applications and/or a pre-development grant request. Incomplete pre-application packages will be returned to the applicant noting incomplete or insufficient documentation until all requirements of RD Instruction 1944-I, §1944.410(a) have been met. Applicants determined eligible based on their submittal of the required information under these requirements will receive the "Letter of Conditions" from the designated Rural Development authorized official. The attached "Letter of Conditions" should be used but may include additional requirements determined by the state to be needed to demonstrate compliance with RD Instruction 1944-I. For instance, if an applicant lacks the experience and capability to complete the proposed number of houses over the next two years, a recommendation to build fewer houses may be appropriate. The applicant is requested to submit the final application in accordance with the requirements of RD Instruction 1944-I, §1944.410(e). If the applicant is determined ineligible by the state, the Rural Development authorized official will prepare a denial letter. Appropriate review, mediation and appeal rights will be given by attaching Attachment 1-B of HB-1-3550.

Attachment 4, "Letter of Conditions-Application Review," is for use by the state for applicants who have submitted their application package in accordance with the requirements of RD Instruction 1944-I, §1944.410(e). This letter of conditions will include information needed before Rural Development will approve the grant request. Incomplete application packages will be returned to the applicant noting incomplete or insufficient documentation until all requirements have been met. If the applicant is unable or unwilling to meet the requirements, the Rural Development authorized official will inform the applicant of the Agency's decision to terminate further processing of the application package. Appropriate review, mediation and appeal rights will be given by attaching Attachment 1-B of HB-1-3550 to the letter informing the applicant of application processing termination.

Submission of Pre-Applications and Applications: Pre-applications and applications should be submitted in separate binders, eight position folders, or similar type folders. Each binder/folder should begin with the appropriate checklist followed by a Table of Contents and the application. Each item required by the checklist should be included in the Table of Contents and tabbed accordingly in the application. Applications with funding requests that exceed $300,000, or the amount of the grant request plus the unexpended funds from a previous grant exceeds $400,000, should be forwarded to the National Office for review. Both the pre-application and application package should be submitted for new grantees.

This AN should be strictly adhered to in processing of Section 523 Grant applications. State Offices needing further guidance on this AN should contact Debra S. Arnold, Senior Loan Specialist for the Single Family Housing Direct Loan Division at (202) 720-1366 or Carolyn Bell, Branch Chief at (202) 720-1532.

Attachments

PRE-APPLICATION AND/OR PREDEVELOPMENT PROCESSING CHECKLIST

Description of Documents	Form/Instruction Number	Tab Position	Date Received/Comments
(1) Application for Federal Assistance	1944.410(a) Form SF-424		
(2) Intergovernmental Review Submittal	1944.409		
(3) Previous Experience	1944.410(a)(1)		
(4) Organizational Papers (a) Reference to State Law (b) Certified copies of Articles of Incorporation and Bylaws, or other evidence of corporate existence (c) Certificate of incorporation for other than public bodies (d) Evidence of Good Standing from the State (e) Names and addresses of Board of Directors, officers and members (plus principal business of any member that is an organization) (f) Copy of 501(c)(3), if non-Profit	1944.410(a)(2) 1944.404(d)(1-4)		
(5) Authorized representative of applicant	1944.410(e)(6)		
(6) Information about sponsor (if applicable) (a) Name and address (b) Experience and ability (c) Written agreement to assist	1944.404(b)(2)		
(7) Current Financial Statements for Applicant and any Sponsor	1944.410(a)(3)		

(8) Narrative Statement (a) Amount of request (b) Areas served (c) Number of houses proposed (d) Housing conditions of low-income families (e) Need for self-help housing (f) Evidence of Community Support (g) List of low-income person(s) waiting to build self-help housing	1944.410(a)(4)		
(9) Outreach Plan for very-low Income	1944.410(a)(5)		
(10) Budget Information (Non-Construction Programs)	Form SF-424A & Budget Narrative 1944.410(a)(6)		
(11) Determination of TA Grant Amount	1944.407		
(12) Preliminary Land Survey	1944.410(a)(7)		
(13) Other Applicant Activities, if multi-funded: (a) List of other activities (b) Statement of other funding (c) Existing cost allocation plan or existing indirect cost rate	1944.410(a)(8)		
(14) Predevelopment assistance request	1944.410(a)(9)		
(15) HUD Fair Housing Marketing Plan	HUD Form 935.2B 1944.410(a)(10)		
(16) Civil Rights Impact Analysis Certification	Form RD 2006-38 RD Inst. 2006-P, § 2006.754(b)		
(17) Compliance Review (Pre-award)	Form RD 400-8 RD Inst. 1901-E, § 1901.204(a) and § 1901.204(c)(3)		
(18) Self-Help Technical Assistance Grant Predevelopment Agreement	1944.410(d) Exhibit D		
(19) Authorizing resolution	1944.411(d)		

Description of Documents	Form/Instruction Number	Tab Position	Date Received/Comments
(20) Rural Development Manager Or Area Manager Recommendation	See further instructions below		
The applicant submits the pre-application containing the above items to the office designated to receive the pre-application in an original and at least one (1) copy. Within 30 days of receipt of the pre-application, the designated official will review for completeness, accuracy, and conformance to program policy and regulations. The designated official will then make a recommendation and forward a copy of the pre-application to the Technical and Management Assistance (T&MA) Contractor for their review. The T&MA Contractor will complete a review within 15 calendar days and submit findings along with the pre-application to the State Director with a copy of the findings to the designated office. The State Director will then complete the review and submit his/her recommendations and necessary documents to the National Office for funding, if a pre-development grant is requested.			
(21) T&MA Contractor's Review and Recommendation	Required Under National Office Contract with T&MA Contractor		
(22) OGC Review (if necessary)	1944.410(b)(2)		
(23) Review Action and Letter Of Conditions	1944.410(c)		
(24) Request for Obligation of Funds (predevelopment assistance)	Form RD 1940-1 1944.413(a)(1)		

APPLICATION PROCESSING THROUGH GRANT CLOSING CHECKLIST

Description of Documents	Form/Instruction Number	Tab Position	Date Received/Comments
(1) Application for Federal Assistance Non-Construction Programs Including Intergovernmental Review Response	Form SF-424 1944.410(e)		
(2) Waiting List of Participants	1944.410(e)(1)		
(3) Proof that the participants in the first group have qualified for assistance	1944.410(e)(2)		
(4) Lot options for first group	1944.410(e)(3)		
(5) Evidence of lot availability for remaining groups	1944.410(e)(3)		
(6) House plans, specifications and detailed cost estimates	1944.410(e)(4)		
(7) Staffing needs and hiring schedule	1944.410(e)(5)		
(8) Authorized representative of applicant	1944.410(e)(6)		
(9) Budget Information – Non-Construction Programs	Form SF-424A & Budget Narrative 1944.410(e)(7)		
(10) Indirect or direct cost policy and proposed indirect cost rate	1944.410(e)(8)		
(11) Monthly activities schedule	1944.410(e)(10)		
(12) Personnel practices and procedures	1944.410(e)(9)		
(13) Authorizing resolution	1944.411(d)		
(14) Assurance Agreement	Form RD 400-4 1944.411(d)		

Description of Documents	Form/Instruction Number	Tab Position	Date Received/Comments
(15) Fidelity Bond Coverage	1944.411(e)		
(16) Evidence of interest bearing checking account and a statement of interest repayment	1944.411(g)		
(17) Group Agreement including Exhibit B-2 of 1944-I	1944.411(h)		
(18) Request for Obligation of Funds	Form RD 1940-l 1944.412		
(19) Self-Help Technical Assistance Grant Agreement	Exhibit A of 1944-I 1944.412		
(20) Certification Regarding Drug-Free Workplace	Form AD-1049 RD Inst. 1940-M, § 1940.606(b)(2)		
(21) Certification Regarding Debarments, Suspension, and other Responsibility Matters	Form AD-1047 RD Inst. 1940-M, § 1940.606(b)(1)		
(22) Certification Regarding Lobbying	Exhibit A-1 of RD Inst. 1940-Q and §1940.810		
(23) Statement of Compliance with 7 CFR Part 3015 & 3019 if a non-profit or, Part 3015 & 3016, if a State of Local government.	1944.411(c)		
(24) Assurances – Non Construction Programs	Form SF-424B 1944.411(f)		
(25) Rural Development Manager's Recommendation	1944.410(b)		
(26) T&MA Contractor's Review and Recommendation	Required Under National Office Contract with T&MA Contractor		
(27) National Office Review (if over $300,000 or if amount of new grant plus unexpended funds from previous grant total $400,000)	1944.415(a)		
In addition to the above information, existing grantees submitting an application for a new grant should also provide the following information as part of a complete application. Since this information was already provided in the pre-application of a new grantee, they will not be required to duplicate this information:			

Description of Documents	Form/Instruction Number	Tab Position	Date Received/Comments
(28) Narrative Statement (h) Amount of request (i) Areas served (j) Number of houses proposed (k) Housing conditions of low-income families (l) Need for self-help housing (m) Evidence of Community Support	1944.410(a)(4)		
(29) Current Financial Statements for Applicant and any Sponsor	1944.410(a)(3)		
(30) Outreach Plan for very low-Income	1944.410(a)(5)		
(31) HUD Fair Housing Marketing Plan	HUD Form 935.2B 1944.410(a)(10)		
(32) Determination of TA Grant Amount	1944.407		
(33) Intergovernmental Review Submittal	1944.409		
(34) Civil Rights Impact Analysis Certification	Form RD 2006-38 2006-P, §2006.754(b)		
(35) OGC Review (if necessary)	1944.410(b)(2)		

Applicants and existing Self-Help grantees applying for a new grant should submit their applications in an original and one copy containing the above applicable items to the Rural Development office designated to receive the grant application as determined by the State. Within thirty (30) days of receipt of the application, the designated official will review the application for completeness, accuracy and conformance to program policy and regulations. The designated official should then make a recommendation and forward along with a copy of the grantee's package to the Technical and Management Assistance (T&MA) Contractor for review. The T&MA contractor will make a recommendation and return the package to the State Office within 15 calendar days. The State Office will issue a Letter of Conditions to the Grantee subject to: (1) review of the application package by the National Office, if applicable and (2) subject to submission of any additional items not included with the application.

LETTER OF CONDITIONS

{GRANTEE NAME AND ADDRESS}

Date: ____________

RE: Self-Help Technical Assistance Grant {AMOUNT}

Dear {CONTACT PERSON}:

A review has been completed of your pre-application package for a Section 523 Mutual Self-Help Grant. Based upon this review, your organization has been determined eligible to proceed with submitting your final grant application.

This letter establishes your basic eligibility for grant assistance. The amount of the proposed grant is based upon the proposed construction of {PROPOSED NUMER OF HOUSES TO BE BUILT} houses.

Please develop your final application in accordance with all of the items listed in 7 CFR 1944.410(e). Once you have developed your application and submitted all of the items listed, Rural Development will review these items for completeness. Please provide the following:

1. Names, addresses, number in household, and total annual household income of person(s) who have been contacted by your organization and are interested in participating in a self-help housing project. Community organizations including minority organizations may be used as a source of names of people interested in self-help housing.

2. Proof that the first group of prospective participating self-help person(s) have qualified for financial assistance, (a Section 502 housing loan or other loan using income guidelines like those of the Department of Housing and Urban Development).

3. Evidence that lots are optioned by the prospective participating first self-help group. Evidence that lots are available for the remaining groups.

4. Detailed cost estimates of houses to be built by the mutual self-help method. Plans and specifications should be submitted with the cost estimates.

5. Proposed staffing need, including qualifications, experience, proposed hiring schedule, and availability of any prospective employees.

6. Name, address, and official position of the applicant's representative or representatives authorized to act for the applicant and work with Rural Development, if applicable.

7. Budget information including a detailed budget for the grant period based upon the needs outlined in the proposal. SF-424A will be completed to furnish the budget information.

8. Indirect or direct cost policy and proposed indirect cost rate developed in accordance with 7 CFR Parts 3015 and 3016.

9. Personnel procedures and practices that will be established or are in existence. Forms to be used should be submitted with the application.

10. A proposed monthly activities schedule showing the proposed dates for starting and completing the recruitment, loan processing and construction phases for each group of participants in the self-help project.

11. [Add any additional requirements]

[Note: For applicant organizations also applying for a pre-development grant, insert the following language:

In addition to this action, your pre-development grant request in the amount of $ _______ has been approved. The approval of your pre-development grant is subject to the following conditions:

1. These funds are to be used to develop your final application in accordance with 7 CFR 1944.410(d) and (e). The grant is limited to six months to complete the final application.

2. Must provide a statement of compliance with 7 CFR Part 3015, if a nonprofit organization or, Part 3016, if a State of Local government.

3. Prior to disbursement of any grant funds, Exhibit D to 7 CFR Part 1944, Subpart I, "Self-Help Technical Assistance Grant Predevelopment Agreement", must be fully executed.

4. On a monthly basis, Form SF-270, "Request for Advance or Reimbursement", is to be submitted to Rural Development (Insert appropriate office and address). The request should indicate the amount of funds used during the previous month, amount of unspent funds, projected amount needed for the next 30 days and written justification

if the request exceeds the projected need for the next 30 days. This request should be submitted approximately 15 days prior to the beginning of the month. The request for funds are to be based on the Pre-development Budget submitted in the pre-application.

5. Maintain an interest bearing checking account on which two or more bonded employees will sign checks. Any interest earned in excess of $250 annually must be submitted to Rural Development quarterly. The use of minority depository institutions is encouraged.

6. Fidelity Bond coverage is required and must be maintained for the duration of the grant. Please submit a complete list of names and the title of each person to be covered by this Bond.]

If you have any questions concerning these conditions, please contact Rural Development for assistance at {SERVICING OFFICE TELEPHONE NUMBER}.

Sincerely,

Rural Development Authorized Official

Attachments

cc: Appropriate T&MA Contractor
Appropriate Rural Development Offices

LETTER OF CONDITIONS – APPLICATION REVIEW

Grantee Name and Address

Re: Self-Help Technical Assistance Grant {AMOUNT}

Dear {CONTACT PERSON}:

A review has been made of the items submitted in connection with your application for a Section 523 Mutual Self-Help grant to your organization. Based on your submittal of items required listed under 7 CFR 1944.410(e)(1) through (10), your application package is determined complete and grant approval can be considered.

This letter establishes conditions which must be understood and agreed to before your grant is approved. The amount of this grant is based upon the construction of {PROPOSED NUMBER OF HOUSES TO BE BUILT} houses. Please provide the following information to Rural Development within 30 days so that your grant can be approved. The items are as follows:

1. A signed statement from the Board of Directors stating the applicant has or can hire, or contract directly or indirectly with qualified people to carry out its responsibilities in administering the grant.

2. Provide a copy of the resolution adopted by (The Board of Directors or other Governing Body if public body) authorizing the appropriate official to execute Exhibit A, "Self-Help Technical Assistance Grant Agreement" of 7 CFR Part 1944, subpart I and Form RD 400-4, "Assurance Agreement".

3. Provide a completed SF-424B, "Assurances Non-Construction Programs," agreeing to establish a recordkeeping system that a certified public accountant will certify as meeting the requirements of the Grant Agreement.

4. By grant closing, you must establish an interest bearing checking account on which two or more bonded employees will sign checks. Any interest earned in excess of $250 annually must be submitted to Rural Development quarterly. (The use of minority depository institutions is encouraged.)

5. Provide a copy of the agreement which will be signed by you and the self-help participants setting forth exactly what is expected of each and incorporates Exhibit B-2 of 7 CFR Part 1944, subpart I, clearly showing what labor tasks are required by the participating families.

6. Certify by signing Form AD-1049, "Certification Regarding Drug-Free Workplace" and Form AD-1047, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters – Primary Covered Transactions" that you will comply with

the provisions of 7 CFR Part 3017. Provide a copy of the statement given all employees in accordance with Appendix C of that part. All persons/entities doing business with you must sign AD-1048, "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion – Lower Tier Covered Transactions".

7. Certify on Exhibit A of 7 CFR Part 3018 (certification regarding lobbying) that you comply with the provisions therein.

8. You are encouraged to utilize the Technical and Management Assistance Regional Contractor ({INSERT NAME AND ADDRESS}) for any needed technical assistance in complying with these requirements.

9. {ADD ANY ADDITIONAL REQUIREMENTS}

If you have any questions concerning these conditions, please contact Rural Development for assistance at {SERVICING OFFICE TELEPHONE NUMBER}.

Sincerely,

Rural Development Authorized Official

Attachments

cc: Appropriate T&M Contractor
Appropriate Rural Development Offices

BEST PRACTICE -
(Use this to ensure you have a complete Final Application)

Self-Help Housing Technical Assistance Grant
NCALL's FINAL APPLICATION REVIEW CHECKLIST

Organization/Agency Name:____

Name of Contact: ________________________________Phone:_______________

State of Applicant: ________________

Draft or Official: Date Received: ________ 15 Day Review Due Date:_______

(1) a. Application for Federal Assistance (for Non-Construction)
Instruction No. 1944.410(e) Standard Form 424 Version 02

_____ Complete _____ Incomplete

Date of Application __________

Yes / No Is the legal name entered on the application the same as it appears on the Articles of Incorporation? If no, then enter legal name _________________________
____

Yes / No Is the DUNS Number indicated?

Yes / No Is the description of the program adequate, including number of homes planned, self-help method, very-low and low income participants, area, and the time period for the program?

Yes / No Do the totals on the SF-424 agree with the totals on the SF-424A, Budget Information – Non-Construction Program?

Yes / No Includes Intergovernmental Review Response, if appropriate?
1944.409 Box 19, SF 424 Version 02

Analysis/Findings: ____
____
____

b. USDA Survey on Ensuring Equal Opportunity For Applicants
Unnumbered Letter, Dated June 1, 2005

______ Included ______ Not Included

______ Complete ______ Incomplete

Analysis/Findings: ____
____

(2) Waiting list of participants
Instruction No. 1944.410 (e)(1)

______ Complete ______ Incomplete

Yes / No Includes a waiting list providing evidence that there are low-income families willing to contribute labor. 2:1 ratio recommended

Yes / No Does the waiting list appear to be adequate to recruit for future participants in the program? If not, why?____
____

Yes / No Includes Names and Addresses

Yes / No Includes Number in Households

Yes / No Includes total annual household income

Yes / No Indicates that families are interested in Self-Help Method

Analysis/Findings: ____
____
____

(3) Proof of eligibility for the participants in the first group
Instruction No. 1944.410 (e)(2)

______ Complete ______ Incomplete

Yes / No Includes Determination of RD Eligibility Letters, Private Bank Loan Letters or Letters of Financial Assistance indicating that the first group of participants has been qualified for loans?

Yes / No If other mortgage funds are to be used, has source of other mortgage funds been adequately identified?

Yes / No Does the approved loan amount meet projected package cost?
If not, is there a narrative explaining the difference?

_______ Average Package Cost

_______ First Building Group Size

_______ Number of Eligibility Letters

Yes / No Does the size of first group correspond to monthly activity schedule?

Analysis/Findings: ____
____
____

(4) Lot options for first group

Instruction No. 1944.410 (e)(3)

______ Complete ______ Incomplete

Yes / No Is there a current signed option for each applicant and accepted by the seller?

Yes / No Does the costs of the lots to the families appear to be affordable?

Yes / No Includes evidence that lots are optioned by first group of Families?

Number of lots:_____ Number in first group:______

Yes / No Do applicant names correspond with names on eligibility letters?

Yes / No Do sellers names correspond to members on the Board of Directors or staff?

Yes / No Narrative adequately explaining land availability, infrastructure and, if needed, site development issues?

Yes / No Includes maps and/or site plans?

Analysis/Findings: ____
____
____

(5) Evidence of lot availability for remaining groups

Instruction No. 1944.410(e)(3)

______ Complete ______ Incomplete

Yes / No Includes the availability of lots for the remaining total number of proposed houses to be built during grant period.

Type of documentation provided:_________________________________
Number of lots needed to complete grant:_________

Number of lots provided: ____________

Yes / No Includes the projected cost of sites (indicates water/sewer information).

Yes / No Includes maps of the proposed area.

Yes / No Narrative adequately explains land availability, infrastructure and, if needed site development/scattered site issues?

Analysis/Findings: ____
____
____

(6) House plans, specifications and detailed cost estimates
Instruction No. 1944.410 (e)(4)

______ Complete ______ Incomplete

Yes / No Are the house plans modest in size and features?

_______ Indicate square footage of proposed homes.

Yes / No If the square footage is over NCALL's Best Practice recommendation of 1350 sq. ft. is there a reason for this overage?

Yes / No Are the specifications on Description of Materials, RD 1924-02 ?

Yes / No Are the specifications complete and follow RD 1924-A guidelines?

Yes / No Includes detailed cost estimates for each house plan to be built?

Yes / No Includes detailed cost estimates for each participant's house plan to be built in first group?

Yes / No Does each cost estimate total properly?

Yes / No Does the cost estimate follow the format recommended by NCALL and include all categories?

Yes / No Does each category total cost appear to be reasonable? Price range analysis?

Yes / No Is there a contingency line item? Percentage:____________(%)

Yes / No Includes House Plans for each style to be built?
Yes / No Includes House Plans for each participant's house to be built in the first group?

Yes / No Are all elevations, views, and mechanicals noted on each plan? (Should list all views)
____ foundation plan ____ floor plan ____cross section ____ front elevation
____ rear elevation ____ left side elevation ____ right side elevation ____ electrical plans
____ plumbing plans ____ mechanical plans

Yes / No Is there appropriate use of space?

Analysis/Findings: ____
____
____

(7) Staffing needs and hiring schedule
Instruction No. 1944.410 (e)(5)

______ Complete ______ Incomplete

Yes / No Signed statement from Board of Directors stating that applicant has or can hire [or contract directly or indirectly] qualified people to carry out its responsibilities in administering the grant.

Yes / No Includes a staffing plan indicating hours charged to Self-Help?

Yes / No Includes Job Descriptions for each position to be paid with grant funds?

Yes / No Are Job Descriptions consistent in style and content (includes qualification for position, list of duties and responsibilities, supervisor)?

Yes / No Are all major SH functions included in the job descriptions?

Yes / No Includes Hiring Schedule showing positions already employed and positions to be hired and when?

Yes / No Includes availability of Prospective Employees? Does statement appear to be based on something, i.e. advertising and number of responses?

Yes / No Includes Resume(s) of Existing Staff

Yes / No Is there any evidence of nepotism or conflict of interest?

Yes / No Is the proposed staff experienced in the positions they will be filling?

Analysis/Findings: ____
____
____

(8) Authorized representative of applicant
Instruction No. 1944.410 (e)(6)

______ Complete ______ Incomplete

Yes / No Is there an authorized representative of the applicant?

Yes / No Is this the same person as listed on the SF 424?

_________________________ Name of representative

_________________________ Address

_________________________ Official Position

Analysis/Findings: ____
____
____

(9) Budget Information – Non-construction programs
Instruction No. 1944.410 (e)(7) SF-424A & Budget Narrative

______ Complete ______ Incomplete

Yes / No Includes a detail budget for two years or grant term?

Yes / No Does it detail salaries for each position?

Yes / No Are salaries reasonable for position and area? If not, has reasoning been documented?

Yes / No Budget totals correctly?

Yes / No Includes a budget narrative?

Yes / No Are expenses adequately explained in the narrative?

Yes/ No Do the narrative and detailed budget correlate with each other?

Yes / No Is SF 424A completed correctly?

Yes / No Are line item expenses within normal ranges?

Fringe Benefits	______%	(25% - 30% of Total Salary)
Travel Expense	______%	(5% - 10% of Total Salary)
Equipment	______%	(2% - 5% of Total Salary)
Supplies	______%	(1% - 3% of Total Salary)
Contractual	______%	(3% - 5% of Total Salary)
Other Misc. Expenses	______%	15% - 20% of Total Salary)

Yes / No Are funds included for National Self Help Association and for attending regional and national conferences?

Yes / No Includes the Equivalent Value of Modest House provided by RD?

Yes / No Is EVMH the same as area loan limit? If yes, has RD provided proper justification?

____

Yes / No Includes Method by which they are figuring the TA Cost?

$___________ TA cost per house

Analysis/Findings: ____
____
____

(10) Indirect or direct cost policy and proposed indirect cost procedures
Instruction No. 1944.410 (e)(8)

______ Complete ______ Incomplete

Yes / No Are the direct cost policy and proposed indirect cost procedures adequate and meet requirements?

Yes / No / N/A Includes Letter of Approval and Direct Cost Allocation Plan?

Yes / No / N/A Includes Letter of Approval and Indirect Cost Rate proposal?

Cognizant Agency: ____________________________

Yes / No Does approved proposed indirect cost rate correspond to rate charged on SF 424A?

Analysis/Findings: ____
____
____

(11) Monthly activities schedule
Instruction No. 1944.410 (e)(10)

______ Complete ______ Incomplete

Yes / No Does the plan indicate the actual month of activity (i.e. Jan/Feb/Mar etc.)?

Yes / No Does the plan show actual start and completion dates for recruitment, loan processing and construction for each group of participants?

Yes / No Does the plan indicate the number of groups and number of families in each group?

Yes / No Does the construction time for each group correlate to the number of houses in group? Is there consistency? If not, is there a reason for inconsistency explained?

Yes / No Does the information on this plan correspond to other information in file (i.e. start and end date on SF 424, number in first group of families etc.)?

Yes / No Is the monthly activity schedule realistic and attainable? (Look at the time of year groups are breaking ground, and pooling dates)

Analysis/Findings: ____
____
____

(12) Personnel practices and procedures

Instruction No. 1944.410 (e)(9)

______ Complete ______ Incomplete

Yes / No Includes Personnel Procedures and Practices? (1944.410(e)(9))

Yes / No The reviewing specialist has read Personnel Policies?

Yes / No Do the Personnel Policies include the following?

Equal Employment Opportunity	____	Affirmative Action Policies	______
Americans with Disabilities Act	____	Nondiscrimination Policy	______
Sexual Harassment Policy	______	Employment Classification	______
Hiring Policies	______	Definition of workday/work week	___
Compensation Policies	______	Benefits	______
Grievance Procedure	______	Travel policy	______
Code of Conduct	______	Alcohol & Drug Abuse	______

Yes / No Includes Personnel Forms? (1944.412)

Yes / No Are forms appropriate for agency?

Analysis/Findings: ____
____
____

(13) Authorizing Resolution
Instruction No. 1944.411(d)

Yes / No Includes a copy of the resolution adopted by (the Board of Directors or other Governing Body if public body) authorizing Appropriate the appropriate official to execute the Self-Help Technical Assistance Grant Agreement and Form RD 400-4 Assurance Agreement.

(14) Assurance Agreement
Instruction No. 1944.411 (d)

Yes / No Completed Assurance Agreement, USDA/RD Form 400-4

(15) Fidelity Bond Coverage

Instruction No. 1944.411 (e)

Yes / No Includes "Position Fidelity Schedule Bond Declarations" RD Form 440-24

Yes / No Is coverage adequate to protect the maximum amount of money, form and all sources the organization will have on hand at any one time?

Yes / No Does the policy cover all employees that have access to funds?

Coverage is: Individual person________ "Blanket Coverage" ______

(16) Evidence of Interest Bearing Checking Account and a Statement of Interest Repayment
Instruction No. 1944.411 (g)

Yes / No Evidence of Interest Bearing Checking Account with 2 or more bonded signatures who will sign checks.

Yes / No Statement on repayment of interest
Nonprofit - $250 cap; Government entity - $100 cap

(17) Membership Agreement
Instruction No. 1944.411(h)

Yes / No Includes Membership Agreement between organization and Self-Help participants Membership Agreement which will be signed by grantee and self-help participants.

Yes / No Is membership agreement our suggested agreement? If no explain differences ____
____
____
____

Yes / No Membership Agreement clearly shows work that is expected from participants and are task appropriate? (Exhibit B-2)

Yes / No Are any percentages split between participants and subcontractors?

Yes / No Participants are required to contribute a minimum of 30 hours per week. If fewer hours are required has a satisfactory explanation been provided? ____________________
____

Yes / No Are participant minimum labor requirements for continued grantee TA within NCALL's recommended guidelines?

Yes / No Does the type of construction correspond to plans?

Yes / No Reviewer has read Membership Agreement?

(18) Request for Obligation of Funds
Instruction 1944.412

Yes / No Request for Obligation of Funds, RD 1940-1

Yes / No Complete?

(19) Self-Help Technical Assistance Grant Agreement
Instruction 1944.412

Yes / No Self-Help Technical Assistance Grant Agreement, Exhibit A of 1944-I

Yes / No Accurately completed and signed?

(20) Certification Regarding Drug-Free Workplace
Instruction No. 1940-M, 1940.606(b)(2)

Yes / No Certification Regarding Drug-Free Workplace, Form AD 1049

Yes / No Accurately completed and signed?

(21) Certification Regarding Debarments, Suspension, and other Responsibility Matters
Instruction No. 1940-M, 1940.606(b)(1)

Yes / No Certification Regarding Debarments, Suspension, and other Responsibility Matters, Form AD 1047.

Yes / No Accurately completed and signed?

(22) Certification Regarding Lobbying
Instruction No. 1940-Q and 1940.810

Yes / No Certification Regarding Lobbying, Exhibit A-1 of RD 1940-Q

Yes / No Accurately completed and signed?

(23) Statement of Compliance
Instruction No. 1944.411 (c)

Yes / No / N/A Statement of Compliance with 7 CFR 3015 & 3019, if Nonprofit (Signed & sealed)

Yes / No / N/A Statement of Compliance with 7 CFR 3015 & 3016, if government entity (Signed & sealed)

(24) Assurances – Non Construction Programs
Instruction No. 1944.411(f)

Yes / No Assurance – Non-Construction Programs, SF 424B agreeing to establish a recordkeeping system that a certified public accountant will certify as meeting the requirements of the Grant Agreement.

(25) Rural Development Manager's Recommendation
Instruction No. 1944.410(b)

Yes / No Is there a space held for this section?

(26) T&MA Contactor's Review and Recommendation
Required Under National Office Contract with T&MA Contractor

Yes / No Is there a space held for this section?

(27) National Office Review
Instruction No. 1944.415 (a)

Yes / No Is there a space held for this section?

The following is documentation that NCALL recommends.

(Recommend) HUD Fair Housing Marketing Plan

Yes / No HUD Fair Housing Marketing Plan, HUD Form 935.2B (8/2006)

Yes / No Is if completed properly?

Yes / No Has market least likely to apply been addressed in marketing outreach?

Yes / No Has plan adequately addressed how staff is trained in Fair housing laws and the AFHMP?

(Recommend) Current Financial Statement or Audit

Yes / No — Date of the financial statement ___________
(Not more than 12 months) Audits preferred or a Balance Sheet showing specific nature of Assets and Liabilities, with information on the repayment schedule and status of any debt owed by the applicant.

Yes / No — Are there any audit findings?

Yes / No — Has there been an increase/decrease in assets?

Yes / No — Liabilities appropriate/minimal?

Yes / No — Dated and Signed by authorized representative of organization

Analysis/Findings: ____
____
____

Review Letter of Conditions

Yes / No / NA — Has the applicant met all the conditions listed in the Letter of Conditions, if appropriate (Attachment 3, RD AN 3904) issued with the Form AD-622 "Notice of Pre-Application Review Action? (1944.412)

Yes/No — Has reviewer read Letter of Conditions

Overall Application:

Yes / No — Is the file tabbed/segments marked?

Yes / No — Does it contain a table of contents?

Yes / No / N/A — Is there a transmittal letter from RD? (Official copy only)

Analysis/Findings: ____
____

Other Comments / Recommendations:

____
____
____
____

Name of Reviewer: ____
Date: ______________________________

Revised October, 2007

BEST PRACTICE -
(Use this to ensure you have a complete Final Application)

Self-Help Housing Technical Assistance Grant
NCALL's REFUNDING FINAL APPLICATION REVIEW CHECKLIST

Organization/Agency Name:____

Name of Contact: ___________________________________Phone:________________

State of Applicant: __________________

Draft or Official: Date Received: ___________ 15 Day Review Due Date:___________

(1) a. Application for Federal Assistance (for Non-Construction)
Instruction No. 1944.410(e) Standard Form 424 Version 02

______ Complete ______ Incomplete

Date of Application ____________

Yes / No Is the legal name entered on the application the same as it appears on the Articles of Incorporation? If no, then enter legal name _____________________________
____

Yes / No Is the DUNS Number indicated?

Yes / No Is the description of the program adequate, including number of homes planned, self-help method, very-low and low income participants, area, and the time period for the program?

Yes / No Do the totals on the SF-424 agree with the totals on the SF-424A, Budget Information – Non-Construction Program?

Yes / No Includes Intergovernmental Review Response, if appropriate?
1944.409 Box 19, SF 424 Version 02

Analysis/Findings: ____
____
____

b. USDA Survey on Ensuring Equal Opportunity For Applicants
Unnumbered Letter, Dated June 1, 2005

______ Included ______ Not Included

______ Complete ______ Incomplete

Analysis/Findings: ____
____

(2) Waiting list of participants
Instruction No. 1944.410 (e)(1)

______ Complete ______ Incomplete

Yes / No Includes a waiting list providing evidence that there are low-income families willing to contribute labor. 2:1 ratio recommended

Yes / No Does the waiting list appear to be adequate to recruit for future participants in the program? If not, why?____
____

Yes / No Includes names and addresses

Yes / No Includes number in household

Yes / No Includes total annual household income

Yes / No Indicates that families are interested in Self-Help Method

Analysis/Findings: ____
____
____

(3) Proof of eligibility for the participants in the first group
Instruction No. 1944.410 (e)(2)

______ Complete ______ Incomplete

Yes / No Includes Determination of RD Eligibility Letters, Private Bank Loan Letters or Letters of Financial Assistance indicating that the first group of participants has been qualified for loans?

Yes / No If other mortgage funds are to be used, has source of other mortgage funds been adequately identified?

Yes / No Does the approved loan amount meet projected package cost?
If not, is there a narrative explaining the difference?

_______ Average Package Cost

_______ First Building Group Size

_______ Number of Eligibility Letters

Yes / No Does the size of first group correspond to monthly activity schedule?

Analysis/Findings: ____
____
____

(4) Lot options for first group

Instruction No. 1944.410 (e)(3)

______ Complete ______ Incomplete

Yes / No Is there a current signed option for each applicant and accepted by the seller?

Yes / No Does the costs of the lots to the families appear to be affordable?

Yes / No Includes evidence that lots are optioned by first group of Families?

Number of lots:_____ Number in first group:______

Yes / No Do applicant names correspond with names on eligibility letters?

Yes / No Do sellers names correspond to members on the Board of Directors or staff?

Yes / No Narrative adequately explaining land availability, infrastructure and, if needed, site development issues?

Yes / No Includes maps and/or site plans?

Analysis/Findings: ____
____
____

(5) Evidence of lot availability for remaining groups

Instruction No. 1944.410(e)(3)

______ Complete ______ Incomplete

Yes / No Includes the availability of lots for the remaining total number of proposed houses to be built during grant period.

Type of documentation provided:________________________________
Number of lots needed to complete grant:_________

Number of lots provided: ____________

Yes / No	Includes the projected cost of sites (indicates water/sewer information).

Yes / No	Includes maps of the proposed area.

Yes / No	Narrative adequately explains land availability, infrastructure and, if needed site development/scattered site issues?

Analysis/Findings: ____
____
____

(6) House plans, specifications and detailed cost estimates
Instruction No. 1944.410 (e)(4)

______ Complete ______ Incomplete

Yes / No	Are the house plans modest in size and features?

_______	Indicate square footage of proposed homes.

Yes / No	If the square footage is over NCALL's Best Practice recommendation of 1350 sq. ft. is there a reason for this overage?

Yes / No	Are the specifications on Description of Materials, RD 1924-02 ?

Yes / No	Are the specifications complete and follow RD 1924-A guidelines?

Yes / No	Includes detailed cost estimates for each house plan to be built?

Yes / No	Includes detailed cost estimates for each participant's house plan to be built in first group?

Yes / No	Does each cost estimate total properly?

Yes / No	Does the cost estimate follow the format recommended by NCALL and include all categories?

Yes / No	Does each category total cost appear to be reasonable? Price range analysis?

Yes / No	Is there a contingency line item? Percentage:____________(%)

Yes / No	Includes House Plans for each style to be built?

Yes / No	Includes House Plans for each participant's house to be built in the first group?

Yes / No	Are all elevations, views, and mechanicals noted on each plan? (Should list all views)

____ foundation plan ____ floor plan ____cross section ____ front elevation

____ rear elevation ____ left side elevation ____ right side elevation ____ electrical plans
____ plumbing plans ____ mechanical plans

Yes / No Is there appropriate use of space?

Analysis/Findings: ____
____
____

(7) Staffing needs and hiring schedule
Instruction No. 1944.410 (e)(5)

______ Complete ______ Incomplete

Yes / No Signed statement from Board of Directors stating that applicant has or can hire [or contract directly or indirectly] qualified people to carry out its responsibilities in administering the grant.

Yes / No Includes a staffing plan indicating hours charged to Self-Help?

Yes / No Includes Job Descriptions for each position to be paid with grant funds?

Yes / No Are Job Descriptions consistent in style and content (includes qualification for position, list of duties and responsibilities, supervisor)?

Yes / No Are all major SH functions included in the job descriptions?

Yes / No Includes Hiring Schedule showing positions already employed and positions to be hired and when?

Yes / No Includes availability of Prospective Employees? Does statement appear to be based on something, i.e. advertising and number of responses?

Yes / No Includes Resume(s) of Existing Staff

Yes / No Is there any evidence of nepotism or conflict of interest?

Yes / No Is the proposed staff experienced in the positions they will be filling?

Analysis/Findings: ____
____
____

(8) Authorized representative of applicant

Instruction No. 1944.410 (e)(6)

______ Complete ______ Incomplete

Yes / No Is there an authorized representative of the applicant?

Yes / No Is this the same person as listed on the SF 424?

________________________ Name of representative

________________________ Address

________________________ Official Position

Analysis/Findings: ____

____

(9) Budget Information – Non-construction programs

Instruction No. 1944.410 (e)(7) SF-424A & Budget Narrative

______ Complete ______ Incomplete

Yes / No Includes a detail budget for two years or grant term?

Yes / No Does it detail salaries for each position?

Yes / No Are salaries reasonable for position and area? If not, has reasoning been documented?

Yes / No Budget totals correctly?

Yes / No Includes a budget narrative?

Yes / No Are expenses adequately explained in the narrative?

Yes/ No Do the narrative and detailed budget correlate with each other?

Yes / No Is SF 424A completed correctly?

Yes / No Are line item expenses within normal ranges?

Fringe Benefits	______%	(25% - 30% of Total Salary)
Travel Expense	______%	(5% - 10% of Total Salary)
Equipment	______%	(2% - 5% of Total Salary)
Supplies	______%	(1% - 3% of Total Salary)
Contractual	______%	(3% - 5% of Total Salary)
Other Misc. Expenses	______%	15% - 20% of Total Salary)

Yes / No Are funds included for National Self Help Association and for attending regional and national conferences?

Yes / No Includes the Equivalent Value of Modest House provided by RD?

Yes / No Is EVMH the same as area loan limit? If yes, has RD provided proper justification?

____

Yes / No Includes Method by which they are figuring the TA Cost?

$____________ TA cost per house

Analysis/Findings: ____
____
____

(10) Indirect or direct cost policy and proposed indirect cost procedures

Instruction No. 1944.410 (e)(8)

______ Complete ______ Incomplete

Yes / No Are the direct cost policy and proposed indirect cost procedures adequate and meet requirements?

Yes / No / N/A Includes Letter of Approval and Direct Cost Allocation Plan?

Yes / No / N/A Includes Letter of Approval and Indirect Cost Rate proposal?

Cognizant Agency: _________________________________

Yes / No Does approved proposed indirect cost rate correspond to rate charged on SF 424A?

Analysis/Findings: ____
____
____

(11) Monthly activities schedule

Instruction No. 1944.410 (e)(10)

______ Complete ______ Incomplete

Yes / No Does the plan indicate the actual month of activity (i.e. Jan/Feb/Mar etc.)?

Yes / No Does the plan show actual start and completion dates for recruitment, loan processing and construction for each group of participants?

Yes / No Does the plan indicate the number of groups and number of families in each group?

Yes / No	Does the construction time for each group correlate to the number of houses in group? Is there consistency? If not, is there a reason for inconsistency explained?

Yes / No	Does the information on this plan correspond to other information in file (i.e. start and end date on SF 424, number in first group of families etc.)?

Yes / No	Is the monthly activity schedule realistic and attainable? (Look at the time of year groups are breaking ground, and pooling dates)

Analysis/Findings: ____
____
____

(12) Personnel practices and procedures

Instruction No. 1944.410 (e)(9)

______ Complete		______ Incomplete

Yes / No	Includes Personnel Procedures and Practices? (1944.410(e)(9))

Yes / No	The reviewing specialist has read Personnel Policies?

Yes / No	Do the Personnel Policies include the following?

Equal Employment Opportunity	____	Affirmative Action Policies	______
Americans with Disabilities Act	____	Nondiscrimination Policy	______
Sexual Harassment Policy	______	Employment Classification	______
Hiring Policies	______	Definition of workday/work week	___
Compensation Policies	______	Benefits	______
Grievance Procedure	______	Travel policy	______
Code of Conduct	______	Alcohol & Drug Abuse	______

Yes / No	Includes Personnel Forms? (1944.412)

Yes / No	Are forms appropriate for agency?

Analysis/Findings: ____
____
____

(13) Authorizing Resolution

Instruction No. 1944.411(d)

Yes / No — Includes a copy of the resolution adopted by (the Board of Directors or other Governing Body if public body) authorizing Appropriate the appropriate official to execute the Self-Help Technical Assistance Grant Agreement and Form RD 400-4 Assurance Agreement.

(14) Assurance Agreement

Instruction No. 1944.411 (d)

Yes / No — Completed Assurance Agreement, USDA/RD Form 400-4

(15) Fidelity Bond Coverage

Instruction No. 1944.411 (e)

Yes / No — Includes "Position Fidelity Schedule Bond Declarations" RD Form 440-24

Yes / No — Is coverage adequate to protect the maximum amount of money, form and all sources the organization will have on hand at any one time?

Yes / No — Does the policy cover all employees that have access to funds?
Coverage is: Individual person________ "Blanket Coverage" ______

(16) Evidence of Interest Bearing Checking Account and a Statement of Interest Repayment

Instruction No. 1944.411 (g)

Yes / No — Evidence of Interest Bearing Checking Account with 2 or more bonded signatures who will sign checks.

Yes / No — Statement on repayment of interest
Nonprofit - $250 cap; Government entity - $100 cap

(17) Membership Agreement

Instruction No. 1944.411(h)

Yes / No — Includes Membership Agreement between organization and Self-Help participants which will be signed by grantee and self-help participants.

Yes / No — Is membership agreement our suggested agreement? If no explain differences ____
____
____
____

Yes / No — Membership Agreement clearly shows work that is expected from participants and are task appropriate? (Exhibit B-2)

Yes / No — Are any percentages split between participants and subcontractors?

Yes / No Participants are required to contribute a minimum of 30 hours per week. If fewer hours are required has a satisfactory explanation been provided? ____________________ ____

Yes / No Are participant minimum labor requirements for continued grantee TA within NCALL's recommended guidelines?

Yes / No Does the type of construction correspond to plans?

Yes / No Reviewer has read Membership Agreement?

(18) Request for Obligation of Funds
Instruction 1944.412

Yes / No Request for Obligation of Funds, RD 1940-1

Yes / No Complete?

(19) Self-Help Technical Assistance Grant Agreement
Instruction 1944.412

Yes / No Self-Help Technical Assistance Grant Agreement, Exhibit A of 1944-I

Yes / No Accurately completed and signed?

(20) Certification Regarding Drug-Free Workplace
Instruction No. 1940-M, 1940.606(b)(2)

Yes / No Certification Regarding Drug-Free Workplace, Form AD 1049

Yes / No Accurately completed and signed?

(21) Certification Regarding Debarments, Suspension, and other Responsibility Matters
Instruction No. 1940-M, 1940.606(b)(1)

Yes / No Certification Regarding Debarments, Suspension, and other Responsibility Matters, Form AD 1047.

Yes / No Accurately completed and signed?

(22) Certification Regarding Lobbying
Instruction No. 1940-Q and 1940.810

Yes / No Certification Regarding Lobbying, Exhibit A-1 of RD 1940-Q

Yes / No Accurately completed and signed?

(23) Statement of Compliance

Instruction No. 1944.411 (c)

Yes / No / N/A Statement of Compliance with 7 CFR 3015 & 3019, if Nonprofit (Signed & sealed)

Yes / No / N/A Statement of Compliance with 7 CFR 3015 & 3016, if government entity (Signed & sealed)

(24) Assurances – Non Construction Programs
Instruction No. 1944.411(f)

Yes / No Assurance – Non-Construction Programs, SF 424B agreeing to establish a recordkeeping system that a certified public accountant will certify as meeting the requirements of the Grant Agreement.

(25) Rural Development Manager's Recommendation
Instruction No. 1944.410(b)

Yes / No Is there a space held for this section?

(26) T&MA Contactor's Review and Recommendation
Required Under National Office Contract with T&MA Contractor

Yes / No Is there a space held for this section?

(27) National Office Review
Instruction No. 1944.415 (a)

Yes / No Is there a space held for this section?

(28) Narrative Statement
Instruction No. 1944.410(a)(4))

______ Complete ______ Incomplete

Yes / No Include dollar amount of grant request.

Yes / No Include area to be served.

Yes / No Include number of self-help units to be built.

Yes / No Include housing conditions of low-income families in the area and reasons why families need self- help assistance. Estimated cost of self-help housing, monthly payments versus current average mortgages

Yes / No Include evidence that there are low-income families willing to contribute labor. (List of families interested in self-help including names, addresses, number in household and annual income) 2:1 ratio recommended. A statement indicating that the self-help programs has been explained to interested families and that they are interested in participating in the program.

Yes / No Include evidence of community support (specific letters of town support if land has been targeted); officials, individuals and community organizations.

Yes / No Indicate a need in the area for housing of the type and cost to be provided by the self-help program. Census data of county(s) that will be targeted.

Analysis/Findings: ____
____
____

(29) Current Financial Statement or Audit

Yes / No Date of the financial statement ___________________
(Not more than 12 months) Audits preferred or a Balance Sheet showing specific nature of Assets and Liabilities, with information on the repayment schedule and status of any debt owed by the applicant.

Yes / No Are there any audit findings?

Yes / No Has there been an increase/decrease in assets?

Yes / No Liabilities appropriate/minimal?

Yes / No Dated and Signed by authorized representative of organization

Analysis/Findings: ____
____
____

(30) Outreach Plan for Very Low-Income
Instruction No. 1944.410(a)(5)

______ Complete ______ Incomplete

Yes / No Does the plan provide for regular consistent efforts using a wide variety of methods to reach very low-income families?

Analysis/Findings: ____
____
____

(31) HUD Fair Housing Marketing Plan

Instructions No. 1944-410(a)(10)

Yes / No HUD Fair Housing Marketing Plan, HUD Form 935.2B (8/2006)

Yes / No Is if completed properly?

Yes / No Has market least likely to apply been addressed in marketing outreach?

Yes / No Has plan adequately addressed how staff is trained in Fair housing laws and the AFHMP?

(32) Determination of TA Grant Amount
Instruction No. 1944.407

Yes / No Includes the Equivalent Value of Modest House provided by RD?

Yes / No Is EVMH the same as area loan limit? If yes, has RD provided proper justification?
____

Yes / No Includes Method by which they are figuring the TA Cost?

$___________ TA cost per house

(33) Intergovernmental Review Submittal
Instruction 1944.409

Yes/No Included

(34) Civil Right's Impact Analysis Certification
RD Form 2006-38 2006-P, 2006.754(b)

Yes/No Included

Yes/No Complete

(35) OGC Review (if necessary)
Instruction No. 1944.410(b)(2)

Yes/No Section held for this section?

(Recommend) Final Evaluation on current grant

Yes / No Is Final Evaluation satisfactory or higher?

Yes / No If grantee is or was a marginal producer and is or was placed on high risk, is there a satisfactory explanation as to why and have the conditions that caused the problem been resolved?

(Recommend) Organizational Documents
Instruction No. 1944.410 (a)(2)

______ Complete ______ Incomplete

Yes / No Copy of an accurate reference to the specific provisions of state law which the organization was organized.

Yes / No Articles of Incorporation (signed by authorized agency representative, dated and sealed by corporate seal if available)

Yes / No Does the mission statement include "production of affordable housing"

Yes / No Bylaws (signed, dated and sealed)

Yes / No Are there more than 5 members of the Board?
1944-I, section 1944.404(d)(4)

Yes / No Are there 10 Board meetings (recommended)?

Yes / No Names and Addresses of Members, Directors, Officers (5 minimum)

Yes / No Tax exemption certificate of 501(c)(3) status
1944-I, section 1944.404(d)(2)

Yes / No Certificate/Stamp of Incorporation

Yes / No Evidence of Good Standing from the State if in existence for more than one year.

Yes / No / N/A Name, Address, Principle Business of Member Organizations (if applicable)

Yes / No / N/A If about to organize, copies of proposed organizational documents attached. Demonstrate compliance with 1944-I, section 1944.404(d)

Analysis/Findings: ____
____
____

Review Letter of Conditions

Yes / No / NA Has the applicant met all the conditions listed in the Letter of Conditions, if appropriate (Attachment 3, RD AN 3904) issued with the Form AD-622 "Notice of Pre-Application Review Action? (1944.412)

Yes/No Has reviewer read Letter of Conditions?

Overall Application:

Yes / No Is the file tabbed/segments marked?

Yes / No Does it contain a table of contents?

Yes / No / N/A Is there a transmittal letter from RD? (Official copy only)

Analysis/Findings: ____
____

Other Comments / Recommendations:
____
____
____
____
____

Name of Reviewer: ____
Date: ________________________________

Revised October, 2007

1.a.
Standard Form 424, "Application for Federal Assistance" & Intergovernmental Review Response

1944.410(e)

SF 424 Version 02 “Application for Federal Assistance”

This form is the first thing that anyone reviewing the application will see. It should be able to provide Rural Development with all of the pertinent information about a project. Such information includes:

- how many homes to be built,
- during what period of time,
- in what areas, and
- with what funds.

These blank forms can be obtained from the State or Area Rural Development Office, NCALL Research, Inc., or on the web at http://www.whitehouse.gov/omb/grants/sf424.pdf.

BEST PRACTICE - A fillable form can also be obtained on www.hudclips.org. If the fillable form is being used, the applicant must have the complete version of Adobe Acrobat. A sample form follows.

Intergovernmental Review Process

During the Pre-application phase, organizations were required to submit a copy of the grant proposal to the State Clearinghouse, if applicable in the state. After the proposal is reviewed, the State replies with the Intergovernmental Review. Please include a copy of this in the Application.

OMB Number: 4040-0004
Expiration Date: 01/31/2009

Application for Federal Assistance SF-424

Version 02

* 1. Type of Submission:
- [ ] Preapplication
- [ ] Application
- [ ] Changed/Corrected Application

* 2. Type of Application:
- [ ] New
- [ ] Continuation
- [ ] Revision

* If Revision, select appropriate letter(s):

* Other (Specify)

* 3. Date Received: Completed by Grants.gov upon submission.

4. Applicant Identifier:

5a. Federal Entity Identifier:

* 5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name:

* b. Employer/Taxpayer Identification Number (EIN/TIN):

* c. Organizational DUNS:

d. Address:

* Street1:

Street2:

* City:

County:

* State:

Province:

* Country: USA: UNITED STATES

* Zip / Postal Code:

e. Organizational Unit:

Department Name:

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

* First Name:

Middle Name:

* Last Name:

Suffix:

Title:

Organizational Affiliation:

* Telephone Number:

Fax Number:

* Email:

Application for Federal Assistance SF-424 Version 02

9. Type of Applicant 1: Select Applicant Type:

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

NGMS Agency

11. Catalog of Federal Domestic Assistance Number:

CFDA Title:

*** 12. Funding Opportunity Number:**

MBL-SF424FAMILY-ALLFORMS

* Title:

MBL-SF424Family-AllForms

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

*** 15. Descriptive Title of Applicant's Project:**

Attach supporting documents as specified in agency instructions.

Add Attachments | Delete Attachments | View Attachments

Application for Federal Assistance SF-424

Version 02

16. Congressional Districts Of:

* a. Applicant [ ]   * b. Program/Project [ ]

Attach an additional list of Program/Project Congressional Districts if needed.

[ ] Add Attachment | Delete Attachment | View Attachment

17. Proposed Project:

* a. Start Date: [ ]   * b. End Date: [ ]

18. Estimated Funding ($):

* a. Federal	
* b. Applicant	
* c. State	
* d. Local	
* e. Other	
* f. Program Income	
* g. TOTAL	

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- [ ] a. This application was made available to the State under the Executive Order 12372 Process for review on [ ] .
- [ ] b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- [ ] c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)**

[ ] Yes   [ ] No   Explanation

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

[ ] **** I AGREE**

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: [ ]   * First Name: [ ]

Middle Name: [ ]

* Last Name: [ ]

Suffix: [ ]

* Title: [ ]

* Telephone Number: [ ]   Fax Number: [ ]

* Email: [ ]

* Signature of Authorized Representative: Completed by Grants.gov upon submission.   * Date Signed: Completed by Grants.gov upon submission.

OMB Number: 4040-0004

Expiration Date: 01/31/2009

Application for Federal Assistance SF-424

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*** Applicant Federal Debt Delinquency Explanation**

The following field should contain an explanation if the Applicant organization is delinquent on any Federal Debt. Maximum number of characters that can be entered is 4,000. Try and avoid extra spaces and carriage returns to maximize the availability of space.

Intergovernmental Review, State Point of Contact (SPOC) List

It is estimated that in 2008 the Federal Government provided $449 billion in grants to State and local governments. Executive Order 12372, "Intergovernmental Review of Federal Programs," was issued with the desire to foster the intergovernmental partnership and strengthen federalism by relying on State and local processes for the coordination and review of proposed Federal financial assistance and direct Federal development. The Order allows each State to designate an entity to perform this function. Below is the official list of those entities. For those States that have a home page for their designated entity, a direct link has been provided below by clicking on the State Name.

States that are not listed on this page (and that are located in NCALL's Region) have chosen not to participate in the intergovernmental review process, and therefore do not have a SPOC. If you are located within a State that does not have a SPOC, you may send application materials directly to a Federal awarding agency

Intergovernmental Review (SPOC List)

DELAWARE
Jennifer L. Carlson
Associate Fiscal and Policy Analyst
Office of Management and Budget
Budget Development, Planning &
Administration
Haslet Armory, Third Floor
122 William Penn Street
Dover, Delaware 19901
Telephone: (302) 739-4206
Fax: (302) 739-5661
jennifer.carlson@state.de.us

IOWA
Kathy Mabie
Iowa Department of Management
State Capitol Building Room G12
1007 E Grand Avenue
Des Moines, Iowa 50319
Telephone: (515) 281-8834
Fax: (515) 242-5897
Kathy.Mabie@iowa.gov

KENTUCKY
Lee Nalley
The Governor's Office for
Local Development
1024 Capital Center Drive, Suite 340
Frankfort, Kentucky 40601
Telephone: (502) 573-2382 Ext. 274
Fax: (502) 573-1519
Lee.Nalley@ky.gov

MAINE
Joyce Benson
State Planning Office
184 State Street
38 State House Station
Augusta, Maine 04333
Telephone: (207) 287-3261
(Direct) (207) 287-1461
Fax: (207) 287-6489
Joyce.benson@maine.gov

MARYLAND
Linda C. Janey, J.D.
Director, Maryland State Clearinghouse
For Intergovernmental Assistance
301 West Preston Street, Room 1104
Baltimore, Maryland 21201-2305
Telephone: (410) 767-4490
Fax: (410) 767-4480
ljaney@mdp.state.md.us

MICHIGAN
William Parkus
Southeast Michigan Council of
Governments
535 Griswold, Suite 300
Detroit, Michigan 48226
Telephone: (313) 961-4266
Fax: (313) 961-4869
mailto:parkus@semcog.org

NEW HAMPSHIRE
Amy Ignatius, Acting Director
New Hampshire Office of
Energy and Planning
Attn: Intergovernmental Review Process
Mark Toussiant
57 Regional Drive
Concord, New Hampshire 03301
Telephone: (603) 271-2155
Fax: (603) 271-2615
amy.ignatius@nh.gov

NEW YORK
Office of Public Security
Homeland Security Grants Coordination
633 3rd Avenue

New York, New York 10017
Telephone: (212-867-1289
Fax: (212) 867-1725

RHODE ISLAND
Joyce Karger
Department of Administration
One Capitol Hill
Providence, Rhode Island 02908
Telephone: (401) 222-6181
Fax: (401) 222-2083
jkarger@doa.state.ri.us

WEST VIRGINIA
Bobby Lewis
Director, Community Development Division
West Virginia Development Office
Building #6, Room 553
Charleston, West Virginia 25305
Telephone: (304) 558-4010
Fax: (304) 558-3248
rlewis@wvdo.org

WISCONSIN
Division of Intergovernmental Relations
Wisconsin Department of Administration
101 East Wilson Street, 10th Floor
P.O. Box 8944
Madison, Wisconsin 53708
Telephone: (608) 261-7533
Fax: (608) 267-6917
SPOC@wisconsin.gov

NOTE: This list is only compiled of states that are located within NCALL's Self-Help Housing Region as of November 2007. For an updated list, or to check on additional states, please visit http://www.whitehouse.gov/omb/grants/spoc.pdf

1.b.
Survey on Ensuring Equal Opportunity for Applicants

Survey on Ensuring Equal Opportunity for Applicants

This form is a fairly new requirement. It helps to ensure that the government is fairly distributing grant funds, and identifies faith-based organizations. Please complete this required form and include it in your application.

SURVEY ON ENSURING EQUAL OPPORTUNITY FOR APPLICANTS

OMB NO. 1890-0014 EXP. 02/28/09

Purpose: The Federal government is committed to ensuring that all qualified applicants, small or large, non-religious or faith-based, have an equal opportunity to compete for Federal funding. In order for us to better understand the population of applicants for Federal funds, we are asking nonprofit private organizations (not including private universities) to fill out this survey.

Upon receipt, the survey will be separated from the application. Information provided on the survey will not be considered in any way in making funding decisions and will not be included in the Federal grants database. While your help in this data collection process is greatly appreciated, completion of this survey is voluntary.

Instructions for Submitting the Survey: If you are applying using a hard copy application, please place the completed survey in an envelope labeled "Applicant Survey." Seal the envelope and include it along with your application package. If you are applying electronically, please submit this survey along with your application.

Applicant's (Organization) Name: ______________________________

Applicant's DUNS Number: ______________________________

Federal Program: ______________________________**CFDA Number:** ___________

1. Has the applicant ever received a grant or contract from the Federal government?

   ☐ Yes ☐ No

2. Is the applicant a faith-based organization?

   ☐ Yes ☐ No

3. Is the applicant a secular organization?

   ☐ Yes ☐ No

4. Does the applicant have 501(c)(3) status?

   ☐ Yes ☐ No

5. Is the applicant a local affiliate of a national organization?

   ☐ Yes ☐ No

6. How many full-time equivalent employees does the applicant have? *(Check only one box).*

   ☐ 3 or Fewer ☐ 15-50
   ☐ 4-5 ☐ 51-100
   ☐ 6-14 ☐ over 100

7. What is the size of the applicant's annual budget? *(Check only one box.)*

   ☐ Less Than $150,000
   ☐ $150,000 - $299,999
   ☐ $300,000 - $499,999
   ☐ $500,000 - $999,999
   ☐ $1,000,000 - $4,999,999
   ☐ $5,000,000 or more

Survey Instructions on Ensuring Equal Opportunity for Applicants

Provide the applicant's (organization) name and DUNS number and the grant name and CFDA number.

1. Self-explanatory.
2. Self-identify.
3. Self-identify.
4. 501(c)(3) status is a legal designation provided on application to the Internal Revenue Service by eligible organizations. Some grant programs may require nonprofit applicants to have 501(c)(3) status. Other grant programs do not.
5. Self-explanatory.
6. For example, two part-time employees who each work half-time equal one full-time equivalent employee. If the applicant is a local affiliate of a national organization, the responses to survey questions 2 and 3 should reflect the staff and budget size of the local affiliate.
7. Annual budget means the amount of money your organization spends each year on all of its activities.

Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1890-0014. The time required to complete this information collection is estimated to average five (5) minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. **If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to:** The Agency Contact listed in this grant application package.

OMB No. 1890-0014 Exp. 02/28/09

2.
Waiting List of Participants

1944.410(e)(1)

Participants

Information on eligible applicants that have been personally contacted and are interested in participating in the self-help housing program is required in the final application. Their names, as well as addresses, number of persons in their household, and their total annual income are required. It is also helpful if a contact date is included.

Please remember to include a statement on the list indicating that these families have been explained the program and are interested in participating and providing their own labor.

BEST PRACTICE - Given that it is difficult to qualify participants for the program even if they are interested, NCALL recommends including at least twice as many potential participants as would be needed to complete the grant.

A sample form follows.

List of Interested Participants

If the Mutual Self-Help Housing Program comes to this area I am interested in participating. I have been explained the program and understand the 65% labor requirement.

Name	Address & Phone	Number in Household	Annual Income

3.

Proof that Participants in the First Group have Qualified for Assistance

1944.410(e)(2)

Participants in the First Group

In addition to the list of names and information of potential participants, proof is required that the first group of participants has been qualified or determined “eligible” by the local Rural Development office. Such proof will be letters from Rural Development.

In order to be determined eligible by Rural Development, the full loan application must be processed and reviewed. This involves verifying the household’s income, checking the credit history of all parties to the note, and reviewing all other eligibility requirements. Once the applicant’s eligibility has been verified, the Loan Originator uses verified income information to determine the amount of payment subsidy the household is entitled to, and the maximum loan amount the applicant will be able to receive**. Based on this information, the Loan Originator will issue a letter of eligibility. This is what is required in the application.**

BEST PRACTICE - In addition to the letters of eligibility, NCALL recommends including a cover page to this section. The narrative here should include the number of families in the first group, a list of the family names, their total building cost amount, their total 502 loan amount and any other loans or grants that will be used for that participant.

Note: If the Rural Development loan does not cover the complete building cost, including land cost, please add a narrative indicating how the gap is being covered. This may be paid for with local or state grants, fist time home buyer awards, or second loans. If additional liens are placed on the mortgage, be certain that the Rural Development local office is aware of the additional loans. This will affect the debt to income ratios. If these additional funds are being used, please provide proof that these funds have been secured.

4.
Lot Options for the First Group

1944.410(e)(3)

Lot Options

For the final application, it is required that land must be in control for the first group of participants. Evidence of this control is required. This evidence will be either a purchase agreement, a copy of the deed if owned, or option agreements for all of the land that is needed for the first group. Please include a narrative explaining how many participants are in the first group, how the land is controlled, by whom, when it will be purchased and where it is located.

Controlling land in a timely manner is a critical, ongoing activity for a self-help program. It's critical because so many other activities depend upon it - the primary one being construction. An undesirable situation would be where the applicants are anxious to get started, a full-time staff is hired, and subcontractors are scheduled – but there is no land.

The process of controlling land is often complicated by the need for interim financing. Interim financing is often a must in areas where land is scarce and costly. In such areas, many grantees must financially secure land well ahead of the time when 502 loan monies become available. Grantees can take control of land either by purchasing it or by entering into an option agreement. *Caution!! The 523 Grant funds* ***cannot*** *be used either to option or purchase land.*

NOTE: More information on land is available in the "Land" section at the end of this manual.

Form RD 440-34
(Rev. 02-05)

Position 5

FORM APPROVED
OMB NO. 0575-0189

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT
FARM SERVICE AGENCY

OPTION TO PURCHASE REAL PROPERTY

1. In consideration of the sum of $ __________________________________ in hand paid and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned (hereinafter called the "Seller"), who covenants to be the owner thereof, hereby, for the Seller and the Seller's heirs, executors, administrators, successors and assigns, offers and agrees to sell and convey to

____

(Name and Addresss)

(hereinafter called the "Buyer"), and hereby grants to the said Buyer the exclusive and irrevocable option and right to purchase, under the conditions hereinafter provided, the following-described property, located in ____

County, State of ____ :

(Insert here full and complete legal description, including volume and page where recorded, of the property including any water rights and water stock being purchased.)

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0189. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The title to said property is to be conveyed free and clear of all encumbrances except for the following reservations, exceptionsand leases, and no others:

(Insert here a full statement of all reservations, exceptions and leases, including in the case of leases, the date of the termination of the lease, the correct name(s) and address(es) of the lessee(s) and, if recorded, the place of recordation)

2. The option is given to enable the Buyer to obtain a loan made by the United States of America, acting through the ☐ Rural Housing Service; ☐ Rural Utilities Service; ☐ Rural Business-Cooperative Service; ☐ Farm Service Agency, hereinafter called the “Government” for the purchase of said property. It is agreed that the Buyer’s efforts to obtain a loan constitute a part of the consideration for this option and any downpayment will be refunded if the loan cannot be processed by the Government.

3. The total purchase price for said property is $ ______________________________ ; said amount

☐ includes ☐ excludes the $ ______________________________ mentioned in paragraph 1.

4. The Seller agrees to pay all expenses of title clearance including, if required, abstract or certificate of title or policy of title insurance, continued down to the date of acceptance of this option and thereafter continued down to and including date of recordation of the deed from the Seller to the Buyer, costs of survey, if required, and attorney’s fees; and the Seller agrees that, except as herein provided, all taxes, liens, encumbrances or other interests in third persons will be satisfied discharged, or paid by the Seller including stamp taxes and other expenses incident to the preparation and execution of the deed and other evidences of title. Title evidences will be obtained from persons and be in such form as the Government shall approve.

(Strike inapplicable language above or insert herein any different agreement regarding the paying of title clearance charges)

5. The Seller also agrees to secure for the Buyer, from the records of the Farm Service Agency, aerial surveys of the property when available, all obtainable information relating to allotments and production history and any other information needed in connection with the consideration of the proposed purchase of the property.

6. The Seller further agrees to convey said property to the Buyer by general warranty deed (except where the law provides otherwise for conveyances by trustees, officers of courts, etc.) in the form, manner and at the time required by the “Government, conveying to the Buyer a valid, unencumbered, indefeasible fee-simple title to said property meeting all requirements of the Government; that the purchase price shall be paid at the time of recording such deed; and that said lands, including improvements, shall be delivered in the same condition as they now are, customary use and wear excepted.

7. Taxes, water assessments and other general and special assessments of whatsoever nature for the year in which the closing of the transaction takes place shall be prorated as of the date of the closing of the transaction, it being expressly agreed that for the purpose of such proration the tax year shall be deemed to be the calendar year. If the closing of the transaction shall occur before the tax rate is fixed, the apportionment of taxes shall be on the basis of the tax rate for the next preceding year applied to the latest assessed valuation.

(Insert here any different tax agreement)

8. This option may be exercised by the Buyer, at any time while the offer herein shall remain in force, by mailing, telegraphing or delivering in person a written notice of acceptance of the offer herein to ______________________________ ,

at ______________________________ , in the city of ______________________________ ,

County of ______________________________ , State of ______________________________ ,

The offer herein shall remain irrevocable for a period of ______________ months from the date hereof and shall remain in force thereafter until one (1) year from the date hereof unless earlier terminated by the Seller. The Seller may terminate this offer at any time after the ______________ months irrevocable period provided herein by giving to the Buyer ten (10) days written notice of intention to terminate at the address of the Buyer. Acceptance of this option by the Buyer within ten (10) days after such notice is received by the Buyer shall constitute a valid acceptance of the option.

9. Loss or damage to the property by fire or from an act of God shall be at the risk of the Seller until the deed to the Buyer has been recorded, and in the event that such loss or damage occurs, the Buyer may, without liability, refuse to accept conveyance of title, or may elect to accept conveyance of title, in which case there shall be an equitable adjustment of the purchase price.

10. The Seller agrees that, irrespective of any other provision in this option, the Buyer, or the Buyer's assignees, may, if the option is accepted, without any liability therefore refuse to accept conveyance of the property described herein if the foresaid loan cannot be made or insured because of defects in the title to other land now owned by, or being purchased by, the buyer.

11. The Seller agrees to furnish, at Seller's expense, to the Buyer a certificate from a reliable firm certifying that the following described building(s) covered by this option (a) is now free of termite infestation and (b) either is now free of unrepaired termite damage or has suffered unrepaired termite damage which is specifically described in the certificate.

12. The Seller agrees to furnish, at the Seller's expense, to the Buyer evidence from the Health Department or a reliable and competent source that the waste disposal system for the dwelling is functioning properly, and the water supply for domestic use meets State Health Department requirements. This evidence must be in the Agency Office before a loan will be approved.

13. The Seller hereby gives the Government or its agents consent to enter on said property at reasonable times for the purpose of inspecting or appraising it, in connection with the making of a loan to purchase the property.

____

____

14. Insert here conditions perculiar to this particular transaction.

(Sellers Telephone Number)

____

IN WITNESS WHEREOF, the Seller and the Buyer have set their hands and seals this ______________ day of ______________ , ____ .

WITNESSESS:

______________________	______________________
______________________	______________________ *(Seller)**
______________________	______________________ *(Seller)**
______________________	______________________ *(Buyer)**
______________________	______________________ *(Buyer)**
______________________	______________________
______________________	______________________
______________________	______________________

**(Indicate marital status of Seller as "married", "legally separated", "unmarried", after signature)*

(over)

(For use if Seller is a corporation)

IN WITNESS WHEREOF, the Seller has caused its corporate name to be hereunto subscribed by its ______________ President, and its duly attested corporate seal to be hereunto affixed by its ______________ Secretary, at ______________, State of ______________ on the ______________ day of ______________, ______ .

(CORPORATE SEAL)

____
Name of Corporation

ATTEST: ______________ *By:* ______________

______________ *Secretary.* ______________ *President.*

ACKNOWLEDGMENT

5.
Evidence of Lot Availability for Remaining Groups

1944.410(e)(3)

Lot Availability

Evidence must also be presented that there are lots available for the remaining participants. This can be the same kind of documentation as required in the pre-application: Lists of available lots, maps, and prices are required.

BEST PRACTICE - Please also include a narrative summarizing what is available. Include information on whether site development is required and the length of time that this will take.

NOTE: More information on land is available in the "Land" section at the end of this manual.

6.
House Plans, Specifications, & Detailed Cost Estimates

1944.410(e)(4)

House Plans

House plans are required for every model that will be built during the grant period. A **complete** set consists of plans and blueprints which have been certified by an architect or engineer licensed in that state. The blueprints need to include the following views with mechanicals noted:

- a foundation plan,
- floor plan,
- cross section,
- front and rear elevations,
- and right and left side elevations.

The cost to obtain these plans will be approximately $500-$700 for each set.

Please include a statement that includes the square footage of livable space for each plan. Additionally, identify which house plans the families in the first group will be building.

Codes and standards
Local and state building codes set the minimum for acceptable material and construction standards for structural integrity, plumbing, heating, electrical installation, windows and ventilation, and safety issues; however local authorities have the right to require additional standards. For the self-help program the house plans must also be approved by Rural Development.

Building codes will need to be researched for each building location because each community may have unique house design regulations, building codes, and setback requirements. Three standards must be met: Rural Development, state government, and local government.

Each plan must conform to state and local building codes and follow Rural Developments standards. These standards require the adherence to their thermal performance standards (1924-A, Exhibit D) and the dwelling must be affordable to the applicant, not have a pool, and contain no income producing facilities.

Obtaining house plans
There are several ways to obtain house plans.

- Local Building Supplier
- House Plan Book
- Rural Development**---BEST PRACTICE – Talk to RD 1st.**
- NCALL
- Other Self-Help Providers
- Software – Cheep Architect

Costs of obtaining plans
Another item to take into consideration is the costs of obtaining the house plans. All options should be carefully investigated to determine which is the most cost effective. Another way of obtaining the plans and probably the most cost effective way, would be someone on staff or someone who is interested in the project and is qualified enough to donate the necessary time and labor to develop

blueprints. Usually, as stated earlier, \$500-\$700 will need to be spent per plan to obtain the necessary documents.

Standardize plans

When obtaining house plans, self-help organizations should standardize the plans as much as possible. For example, the cabinet and kitchen arrangement in the houses can be standardized, as can the size and arrangement of the bathroom. The purpose of standardization is two fold: 1.) The cost estimate and use of materials in the houses will remain the same, and 2.) The construction supervisor and participants will become familiar with the plans during construction.

BEST PRACTICE - ***It is not recommended that a grantee offer participants a large variety of plans to choose from.*** It is better to limit the plans offered to a reasonable number. For example, it is recommended that self-help grantees provide a limited selection of three basic plans in order to simplify the management required to operate a successful program. These three basic plans should be of varying living areas and varying number of bedrooms, depending on the sizes that the grantee finds most in demand based on a survey of the target area.

Keep in mind that house plans should be prepared in advance of the formation of the first group of self-help participants. Only one set needs to be a certified original, the rest can be copies.

After a participant has chosen a particular house design, copies of the blueprints should be given to: Rural Development in the 502 application; the local building official when applying for a building permit; the construction supervisor (who will be in charge of the construction of the house); and the participant file in the grantee's office.

Developing Specifications

After deciding on a particular set of house plans, the next item is to develop a specification sheet. Form RD 1924-2, “Description of Materials” should be used when recording specifications. The final application must include one specification sheet for each participant in the first group.

BEST PRACTICE - If an architect is preparing the blueprints always ask if he will include a specification sheet, most architects will do this anyway, but explain the importance of the specifications to get Rural Development's approval. Usually there will be no additional cost for this service. If someone in-house is drawing the blueprints, obtain the forms and fill in the information yourself. The “Description of Materials” Form 1924-2 can be located at http://www.rurdev.usda.gov/regs/forms/1924-02.pdf. If you need help with the specification sheet, schedule a meeting with the local office and have him/her explain the form.

The material identification shall be in sufficient detail to fully describe the material, size, grade and when applicable, manufacturer's model or identification numbers. When necessary, additional sheets must be attached, as well as manufacturer’s specification sheets for equipment and/or specials materials, such as aluminum or vinyl siding or carpeting.

BEST PRACTICE - Keep in mind the design must meet the following requirements in order to be eligible for Section 502 financing: 1) Rural Development's Thermal Performance Standards (see Instructions 1924-A, Exhibit D); 2) Rural Development's guidelines regarding affordability, no income producing facilities and no pool. These instructions will be very helpful when filling out the specifications to insure that each homeowner gets materials of the quality required by Rural Development and conform to any state or local building codes.

All specification sheets should be carefully inspected before being submitted to make sure that everything indicated in the house plans is reflected in the specifications. An individual participant must also check each set to make sure they reflect any changes. When the Rural Development building inspector arrives on site he or she will refer to the plans and specs submitted in the loan application. If any questions arise concerning the construction of the house, the plans and specifications that were submitted to Rural Development will provide the final criteria. Therefore, a copy of the cost estimate, dwelling specifications and house plans for each participant must be kept in the participant file in the sponsor's office for reference by the construction staff.

The Guide for Inspection of Construction of Dwellings and Buildings will serve as a guide to the completion of the dwelling specifications. The construction supervisor should be responsible for completing the dwelling specifications to be submitted in each loan application in accordance with local building practices and local codes.

Plans and specification approvals
The State and the Rural Development State Architect must approve the plans and specifications.

Cost Estimates

One of an agency's primary responsibilities is to **accurately** estimate the cost of each participant's home **before** it is built. These cost estimates must be accurate, as they eventually become the participant's 502 mortgage, so avoid making estimates that are unrealistically low. As a rule of thumb, cost estimates can range from 2% to 3% over the actual cost of the house when it's built, but never under. A cost estimate is required for each participant in the first group.

If the cost of construction is underestimated the participant may be forced to seek a second, "subsequent" mortgage loan to pay the increased cost of building their house. If the costs are overestimated, the participant might not get all of the deserved "sweat equity" in their house, by having a larger mortgage than is needed. For both of these reasons it is important that the cost of the homes is assessed accurately. **BEST PRACTICE -** If there is a significant period of time between the time of actual construction and the time the cost estimates were obtained, update the figures so that they reflect current market prices.

Generally, there are four types of costs: construction materials, subcontracted labor, land and other variable costs.

Construction materials

To determine the quantity and quality of construction materials required by a house plan, a materials take-off is required. To do a take-off, the Construction Supervisor must review the drawings of a single house plan and carefully record the materials that are called for in the drawings. At the end of a take-off session, you should have a full listing of all the materials (quantity and quality) required for a single house plan.

BEST PRACTICE - In order to get the best price on materials for the participants, it is a good idea to get bids on the materials. Before doing this the project must be described in detail, including the material to be used and quantity. Outline the time frame in which you anticipate needing certain materials; then set a date for the bidding deadline. After obtaining the material bids visit the center or lumberyard to meet with the salesman. Discuss the delivery format, return policy, service area and inquire about credit accounts for the participants. After doing this a grantee should be able to select the place where materials will be obtained. (Later on in the process, the grantee may want to include the participants in the selection process. They, more than anyone else, have a stake in keeping their prices low.)

Some lumberyards may also be able to give discounts for bulk purchases or guarantee a lumber price in advance.

Subcontractors

Organizations must next decide which of the construction activities will be subcontracted. Generally, these are the activities that cannot be performed by the participants, such as excavations, licensed electrical work, and plumbing. **BEST PRACTICE -** Use Exhibit B-2 of 1944-I, the participants construction tasks must equal at least 65% of construction activities.

BEST PRACTICE - Request bids to now determine what the subcontractors' charges will be. (This does not have to be a formal bidding process, but it does help if there is an established procedure for choosing a subcontractor.) In the bid request describe the project, the materials and / or work to be done, outline the requirements and the anticipated time frames, make the plans and specs available to them and set a date for the bidding deadline. After obtaining bids, interview the potential subcontractors. Ask for client references, view their past jobs, and question them to determine their integrity and timeliness. Also get a copy of their license and insurance covers and check the expiration date of both.

BEST PRACTICE - After receiving all of the necessary information and making a judgment, it is a good idea to include the participants during this stage. They will be the ones to sign contracts with the subcontractors, so they need to feel some responsibility in making the decision. The organization, however, should advise them of its thoughts. Explain to the participants the benefits and drawbacks of each and let them decide, or at least agree with you.

Then prepare a construction contract (some samples are included) and attach the subcontractor bids if they were acceptable. The participants and the subcontractors need to sign the construction contract. **BEST PRACTICE -** It is recommended that organizations use the Rural Development contract. If other contracts are to be used, NCALL recommends that the grantee review these contracts with Rural Development. The grantee should then obtain written permission to use the alternate contracts.

Land and other variable costs

BEST PRACTICE - In addition to construction materials and subcontracting, decide what other costs will be covered by the 502 loan. Below, are listed several indirect construction costs.

1. Land
2. Fees and overhead: Fees can include such items as building permits, closing costs, surveys, and water and sewer connections. Overhead items are those costs that are not specific to a single site, such as power poles, temporary power, portable toilets, and trash pickup.
3. Appliances and equipment: This includes such items as a range, stove, refrigerator, kitchen fan and exhaust fan etc.
4. Site improvements: Includes grading, fences (where permitted) and driveways.
5. Landscaping includes topsoil, seeding and shrubs.
6. Contingency funds: In spite of the best planning, problems and unavoidable delays may occur during the program. Prepare for this by including a contingency line item in the cost estimate, 3-5% of the loan amount is recommended.

Rural Development Parameters

"Officers, employers or representatives of organization will not solicit or accept gratuities, favors or anything of monetary value from suppliers, contractors or others doing business with your organization." - - 1944-I, Exhibit A, Paragraph (o)

"Board members or employees for your organization shall not directly or indirectly participate for financial gain in any transaction involving the organization or the participants. Includes activities of selling real estate, building materials, supplies and services" - - 1944-I, Exhibit A, Paragraph (q)
"While contracts are generally awarded to the lowest bidder, alternative policies are common." - - 1924.6 (a)(10)&(11)

Attachment O of OMB Circular A-110

BEST PRACTICE - In addition to some required application forms, NCALL has included some forms that may help in the management of the self-help program. A sample family time sheet is attached as well as a Construction Supervisor's field chart.

Preparing Housing Designs - A General Flow of Events

BEST PRACTICE - This is a general recommended flow of events when it comes to choosing house designs for a self-help housing program.

I. Research Building Standards
   a. Determine local building codes
   b. Determine acceptable Rural Development design features and specifications

II. Select House Designs
   Note: Consider having the house designs approved by Rural Development as early as possible. This ensures that the chosen designs meet the acceptable Rural Development standards.

III. Get Plans Certified

IV. Estimate Costs (502 Mortgage) for Each House Design
   a. Prepare material take-offs
   b. Determine which construction jobs to subcontract
   c. Issue request for bids, evaluate bids, select suppliers, and subcontractors

V. Involve Individual Families
   a. Each family selects their lot and house plan

VI. Prepare House Documents for 502 Docket
   a. For each family 502 docket, prepare –
      i. Detailed house plans
      ii. Detailed specifications
      iii. Plot plan
      iv. Water/waste disposal system (if applicable)
      v. Cost estimate

VII. Send Docket to Rural Development for Approval

VIII. Send House Documents to Local Officials
   a. Building permits obtained

IX. Construction

Position 6

USDA - RD
Form RD 1924-6
(Rev. 8-93)

FORM APPROVED
OMB NO. 0575-0042

CONSTRUCTION CONTRACT

State ______________________

County ______________________

This Contract, made this ____________________ day of ______________________________, 20______,

by ____________________________________ of ____

(hereinafter called the "Owner"), and ____ of

____ (hereinafter called the "Contractor").

WITNESSETH that the parties hereto agree as follows:

(A) The Contractor will furnish materials and perform the work for:

for the consideration of ____ dollars ($ ________________),
in accordance with the "General Conditions" shown in this contract and the specifications and the drawings as follows:

(B) The Contractor will start work by ____________________________________, 20______, and will complete the work by ______________________________________, 20______ (See paragraph III of General Conditions).

(C) The Owner will make payments as follows. *(Check* ☐ proper payment clause and effectively xxxxxxxx out all of the clauses not applicable.)

☐ 1. ONE LUMP SUM will be made for the whole contract, upon acceptance by the owner and Rural Development of all work required hereunder and compliance by contractor with all the terms and conditions of this contract.

☐ 2. PARTIAL PAYMENTS NOT TO EXCEED 60 PERCENT of the value of the work in place (less the aggregate of previous payments) will be made at intervals of ______________. The value of work in place shall be as estimated by the contractor and approved by Rural Development. Prior to receiving any partial payment, the contractor must furnish the owner with a statement showing the total amount owed to date for materials and labor procured under this contract and, if required by the owner or Rural Development, must also submit evidence showing that previous partial payments were properly applied and that the current payment will be properly applied. Upon completion of the whole contract and acceptance of the work as required hereunder, by the owner and Rural Development, and compliance by the contractor with all terms and conditions of this contract, the amount due the contractor will be paid.

☐ 3. PARTIAL PAYMENTS IN THE AMOUNT OF 90 PERCENT of the value of the work in place and of the value of the materials suitably stored at the site (less the aggregate of previous payments) will be made at intervals of ________ ____________. The value of the work and materials in place or on site shall be as estimated by the contractor and approved by the owner and Rural Development. Upon acceptance by the owner and Rural Development of all work required hereunder and compliance by the contractor with all terms and conditions of this contract, the amount due the contractor will be paid. The contractor shall, before the owner signs the contract, deliver to the owner a surety bond in the amount of the contract.

(D) The items described below (the Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity required by Executive Order 11246, the Equal Opportunity Clause published at 41 CFR 60-1.4 (a) and (b), and the Standard Federal Equal Employment Opportunity Construction Contract Specifications required by Executive Order 11246) apply, during the performance of this contract, if the contract exceeds $10,000 (This also includes subsequent loans and grants, or contract change orders made during the construction period of the original contract, which will cause the total to exceed $10,000.) to the following: (1) All contractors or subcontractors who hold any Federal or federally assisted construction contract, (2) All grants, contracts and loans (direct, insured, or guaranteed) let by Rural Development, and (3) All construction work performed by construction contractors and subcontractors for Federal nonconstruction contractors and subcontractors if the construction work is necessary in whole or in part to the performance of a nonconstruction contract or subcontract. The items are applicable to all of a contractor's or subcontractor's employees who are engaged in "on site" construction including those construction employees who work on a non-Federal or non-federally assisted construction site. The items, however, will not preempt state or local government regulations of the construction industry, and will not relieve contractors and subcontractors of the obligations they may have under other affirmative action or equal opportunity programs.

<u>NOTICE OF REQUIREMENT FOR AFFIRMATIVE ACTION TO ENSURE EQUAL EMPLOYMENT OPPORTUNITY (Executive Order 11246)</u>

Date .... City .... DOL Region ....

Goals and Timetables for WOMEN (Exhibit D, RD Instruction 1901-E)

Timetable	Trade	Goal (%)
From 4 -1-78 until 3-31-79	All trades	3.1
From 4 -1-79 until 3-31-80	All trades	5.1
From 4 -1-80 until 3-31-81	All trades	6.9

Goals and Timetables for ALL MINORITIES (Exhibit D, RD Instruction 1901-E)

EQUAL OPPORTUNITY CLAUSE (41 CFR 60-1.4 (a) AND (b))

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited, to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by Rural Development setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

(3) The contractor will send to each labor union or representative of workers with which contractor has a collective bargaining agreement or other contract or understanding, a notice, to be provided by Rural Development, advising the said labor union or workers' representative of the contractor's commitments under this agreement as required pursuant to Section 301 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The contractor will comply with all provisions of such Executive Order and of all relevant rules, regulations, and orders of the Secretary of Labor and of any prior authority which remain in effect.

(5) The contractor will furnish all information and reports required by such Executive Order, rules, regulations, and orders, or pursuant thereto, and will permit access to books, records, and accounts by Rural Development and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further contracts in accordance with procedures authorized in such Executive Order and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by any such rules, regulations, or order, or as otherwise provided by law.

(7) The contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order, unless exempted by such rules, regulations, or orders, so that such provisions will be binding upon each such subcontractor or vendor. The contractor will take such action as Rural Development may direct as a means of enforcing such provisions, including sanctions for noncompliance: <u>Provided, however,</u> that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by Rural Development, the contractor may request the United States to enter into such litigation to protect the interest of the United States.

1. As used in these specifications:

a. "Covered area" means the geographical area described in the solicitation from which this contract resulted;

b. "Director" means Director, Office of Federal Contract Compliance Programs, United States Department of Labor, or any person to whom the Director delegates authority;

c. "Employer identification number" means the Federal Social Security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941.

d. "Minority" includes:

(i) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);

(ii) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish Culture or origin, regardless of race);

(iii) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and

(iv) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North American and maintaining identifiable and participation or community identification).

2. Whenever the Contractor, or any Subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract in excess of $10,000 the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.

3. If the Contractor is participating (pursuant to 41 CFR 60-4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. Contractors must be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each Contractor or Subcontractor participating in an approved Plan is individually required to comply with its obligations under the EEO clause, and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other Contractors or Subcontractors toward a goal in an approved Plan does not excuse any covered Contractor's or Subcontractors failure to take good faith efforts to achieve the Plan goals and timetables.

4. The Contractor shall implement the specific affirmative action standards provided in paragraphs 7a through p of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the Contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. The Contractor is expected to make substantially uniform progress toward its goals in each craft during the period specified.

5. Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the Contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the Con-tractor's obligations under these specifications, Executive Order 11246, or the regulations promulgated pursuant thereto.

6. In order for the nonworking training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Contractor during the training period, and the Contractor must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.

7. The Contractor shall take specific affirmative actions to ensure equal employment opportunity. The evaluation of the Contractors compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The Contractor shall document these efforts fully, and shall implement affirmative action steps at least as extensive as the following:

a. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the Contractor's employees are assigned to work. The Contractor, where possible, will assign two or more women to each construction projects. The Contractor shall specifically ensure that all foremen, superintendents, and other on-site supervisory personnel are aware of and carry out the Contractor's obligation to maintain such a working environment with specific attention to minority or female individuals working at such sites or in such facilities.

b. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the Contractor or its unions have employment opportunities available, and maintain a record of the organization's responses.

c. Maintain a current file of the names, addresses and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source of community organization and of what action was taken- with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the Contractor by the union or, if referred, not employed by the Contractor, this shall be documented in the file with the reason therefor, along with whatever additional actions the Contractor may have taken.

d. Provide immediate written notification to the Director when the union or unions with which the Contractor has a collective bargaining agreement has not referred to the Contractor a minority person or woman sent by the Con tractor, or when the Contractor has other information that the union referral process has impeded the Contractor's efforts to meet its obligations.

e. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the Contractor's employment needs, especially those programs funded or approved by the Department of Labor. The Contractor shall provide notice of these programs to the sources complied under 7b above.

f. Disseminate the Contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc., by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.

g. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions including specific review of these items with on-site supervisory personnel such as Superintendents, General Foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.

h. Disseminate the Contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing the Contractor's EEO policy with other Contractors and Subcontractors with whom the Contractor does or anticipates doing business.

i. Direct its recruitment efforts, both oral and written, to minority, female and community organizations, to schools with minority and female students and to minority and recruitment and training organizations serving the Contractor's recruitment area and environment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the Contractor shall send written notification to the organizations such as above, describing the openings, screening procedures, and tests to be used in the selection process.

j. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer and vacation employment to minority and female youth both on the site and in other areas of a Contractor's work force.

k. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.

l. Conduct, at least annually, an inventory and evaluation at least of all minority and female personnel for promotional opportunities and encourage these employees to seek or prepare for, through appropriate training, etc., such opportunities.

m. Ensure that seniority practices, job classifications, work assignments and other personnel practices, do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the Contractor's obligations under these specifications are being carried out.

n. Ensure that all facilities and company activities are non-segregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.

o. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.

p. Conduct a review, at least annually, of all supervisors' adherence to and performance under the Contractor's EEO policies and affirmative action obligations.

8. Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their affirmative action obligations (7a through p). The effort of a contractor association, joint contractor-union, contractor-community, or other similar group of which the contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under 7a through p of these Specifications provided that the contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the Contractor's minority and female work force participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the Contractor. The obligation to comply, however, is the Contractor's and failure of such a group to fulfill an obligation shall not be a defense for the Contractor's noncompliance.

9. A single goal for minorities and a separate single goal for women have been established. The Contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, the Contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even through the Contractor has achieved its goals for women generally, the Contractor may be in violation of the Executive Order if a specific minority group of women is underutilized).

10. The Contractor shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, or national origin.

11. The Contractor shall not enter into any Subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.

12. The Contractor shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspension, termination and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations, by the Office of Federal Contract Compliance Pro- grams. Any Contractor who fails to carry out such sanctions and penalties shall be in violation of these specifications and Executive Order 11246, as amended.

13. The Contractor, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph 7 of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR 60-4.8.

14. The Contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the Government and to keep records. Records shall at least include for each employee the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (e.g., mechanic, apprentice, trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work will be performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.

15. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (E.G., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

(E) The contractor will determine if this contract is subject to a Hometown Plan. Check this block ☐ if contract is subject to a Hometown Plan. Effectively xxxxx out this provision if it is not. This contract is subject to the

____________________________________ Plan. The applicable conditions are attached hereto and made a part hereof.

IN WITNESS WHEREOF, the parties hereto have executed this contract as of the date first above written.

____
(Contractor)

____
(Owner)

GENERAL CONDITIONS

I. CHANGES IN WORK.- The Owner may at any time, with the approval of the official designated by Rural Development (hereinafter called the Representative), make changes in the drawings and specifications, within the general scope thereof. If such changes cause an increase or decrease in the amount due under this contract or in the time required for its performance, an equitable adjustment will be made, and this contract will be modified accordingly by a "Contract Change Order". No charge for any extra work or material will be allowed unless the same has been ordered on such contract change order by the Owner with the approval of the Representative, and the price therefore stated in the order.

II. INSPECTION OF WORK.- All materials and workmanship will be subject to inspection, examination, and test, by the Representative, who will have the right to reject defective material and workmanship or require its correction.

III. COMPLETION OF WORK. -If the Contractor refuses or fails to complete the work within the time specified in paragraph B of this contract, or any extension thereof, the Owner may, with the approval of the Representative, terminate the Contractor's right, to proceed. In such event the Owner may take over the work and prosecute the same to completion by contract or otherwise and the Contractor will be liable for any excess cost occasioned the Owner thereby; and the Owner may take possession of and utilize in completing the work such materials and equipment as may be on the site of the work and necessary therefore. If the Owner does not terminate the right of the Contract to proceed, the Contractor will continue the work, in which event, actual damages for delay will be impossible to determine, and in lieu thereof, the Contractor may be required to pay to the Owner the sum of $ ________________________ as liquidated damages for each calendar day of delay, and the Contractor the will be liable for the amount thereof: Provided, however, that the right of the contractor to proceed will not be terminated because of delays in the completion of the completion of the work due to unforeseeable causes beyond the Contractor's control and without Contractor's fault or negligence.

IV. RELEASES. -Prior to final payment, the Contractor will submit evidence that all payrolls, material bills, and other indebtedness connected with the work have been paid as required by the Owner or the Representative.

V. OBLIGATION TO DISCHARGE LIENS. -Acceptance by the Owner and the Representative of the completed work performed by the Contractor and payment therefore by the Owner will not relieve the Contractor of obligation to the Owner (which obligation is hereby acknowledged) to discharge any and all liens for the benefit of subcontractors, laborers, material- person, or any other persons performing labor upon the work or furnishing material or machinery for the work covered by this contract, which have attached to or may subsequently attach to the property, or interest of the Owner.

VI. NOTICES AND APPROVAL IN WRITING.- Any notice, consent, or other act to be given or done hereunder will be valid only if in writing.

VII. ADDITIONAL REQUIREMENTS.- The Contractor, in the performance of this contract, will comply with all applicable Equal Opportunity requirements. The provisions of RD Instruction 1901-F concerning the protection of historical and archaeological properties and the provisions of RD Instruction 1940-G concerning environmental requirements apply. The contractor understands that should any archaeological resources be discovered during the construction process, the contractor will notify the owner and cease further construction activity that could affect the resource until the Owner has consulted with Representative and the Contractor is informed of any steps to be taken or told to proceed with construction.

VIII. CLEANING UP.- The contractor shall keep the premises free from accumulation of waste material and rubbish and at the completion of the work shall remove from the premises all rubbish, implements and surplus materials and leave the building broom-clean.

IX. BUILDERS WARRANTY.- Upon completion of the work the contractor will; (Check ☐ proper warranty clause and effectively xxxxxxxx out the inapplicable clause.)

☐ execute Form RD 1924-19, "Builders Warranty"

☐ provide an RD - approved 10-year home warranty policy in accordance with Section 1924.9 and Exhibit L of RD Instruction 1924-A.

Form RD 1924-2
(Rev. 7-99)

UNITED STATES DEPARTMENT OF AGRICULTURE
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT-FEDERAL HOUSING ADMINISTRATION
U.S. DEPARTMENT OF VETERANS AFFAIRS

FORM APPROVED
OMB NO. 0575-0042

☐ **Proposed Construction**

DESCRIPTION OF MATERIALS

No.____________ (To be inserted by Agency)

☐ **Under Construction**

Property address ____________ *City* ____________ *State* ____________

Mortgagor or Sponsor ____________ (Name) ____________ (Address)

Contractor or Builder ____________ (Name) ____________ (Address)

INSTRUCTIONS

1. For additional information on how this form is to be submitted, number of copies, etc., see the instructions applicable to the FHA Application for Mortgage Insurance, VA Request for Determination of Reasonable Value or other, as the case may be.

2. Describe all materials and equipment to be used, whether or not shown on the drawings, by marking an X in each appropriate check-box and entering the information called for in each space. If space is inadequate enter "See misc," and describe under item 27 or on an attached sheet- THE USE OF PAINT CONTAINING MORE THAN THE PERCENT OF LEAD BY WEIGHT PERMITTED BYLAW IS PROHIBITED.

3. Work not specifically described or shown will not be considered unless required, then the minimum acceptable will be assumed. Work exceeding minimum requirements cannot be considered unless specifically described.

4. Include no alternates, "or equal" phrases, or contradictory items. (Consideration of a request for acceptance of substitute materials or equipment is not thereby precluded.)

5. Include signatures required at the end of this form.

6. The construction shall be completed in compliance with the related drawings and specifications, as amended during processing. The specifications include this Description of Materials and the applicable building code.

1. EXCAVATION:
Bearing soil, type ____________

2. FOUNDATIONS:
Footings: concrete mix ____________ ; strength psi ____________ Reinforcing ____________
Foundation wall: material ____________ Reinforcing ____________
Interior foundation wall: material ____________ Party foundation wall ____________
Columns: material and sizes ____________ Piers: material and reinforcing ____________
Girders: material and sizes ____________ Sills: material ____________
Basement entrance areaway ____________ Window areaways ____________
Waterproofing ____________ Footing drains ____________
Termite protection ____________
Basementless space: ground cover ____________ ; insulation ____________ ; foundation vents ____________
Special foundations ____________
Additional information ____________

3. CHIMNEYS:
Material ____________ Prefabricated *(make and size)* ____________
Flue lining: material ____________ Heater flue size ____________ Fireplace flue size ____________
Vents *(material and size):* gas or oil heater ____________ ; water heater ____________
Additional information: ____________

4. FIREPLACES:
Type: ☐ solid fuel; ☐ gas-buming; ☐ circulator *(make and size)* ____________ Ash dump and clean-out ____________
Fireplace: Facing ____________ ; lining ____________ ; hearth ____________ ; mantel ____________
Additional information: ____________

5. EXTERIOR WALLS:
Wood frame: wood grade, and species ____________ ☐ Comer bracing. Building paper or felt ____________
sheathing ____________ ; thickness ____________ ; width ____________ ☐ solid; ☐ space ____________ o.c.; ☐ diagonal; ____________
Siding ____________ ; grade ____________ ; type ____________ ; size ____________ ; exposure ____________ ; fastening ____________
Shingles ____________ ; grade ____________ ; type ____________ ; size ____________ ; exposure ____________ ; fastening ____________
Stucco ____________ ; thickness ____________ ; Lath ____________ , weight ____________ lb.
Masonry veneer ____________ Sills ____________ Lintels ____________ Base flashing ____________
Masonry: ☐ solid ☐ faced ☐ stuccoed; total wall thickness ____________ ; facing thickness ____________ ; facing material ____________
Backup material ____________ ; thickness ____________ ; bonding ____________
Door sills ____________ Window sills ____________ Lintels ____________ Base flashing ____________
Interior surfaces: dampproofing, ____________ coats of ____________ ; furring ____________
Additional information: ____________
Exterior painting: material ____________ ; number of coats ____________
Gable wall construction: ☐ same as main walls; ☐ other construction ____________

6. FLOOR FRAMING:
Joists; wood, grade, and species ____________ ; other ____________ ; bridging ____________ ; anchors ____________
Concrete slab: ☐ basement floor; ☐ first floor; ☐ ground supported; ☐ self-supporting; mix ____________ ; thickness ____________ ,
reinforcing ____________ ; insulation ____________ ; membrane ____________
Fill under slab; material ____________ ; thickness ____________ ; Additional information: ____________

7. SUBFLOORING: *(Describe underflooring for special floors under item 21.)*
Material: grade and species ____________ , size ____________ , type ____________
Laid: ☐ first floor; ☐ second floor ☐ attic ____________ sq. ft; ☐ diagonal; ☐ right angles. Additional information: ____________

8. FINISH FLOORING: *(Wood only. Describe other finish flooring under item 21.)*

LOCATION	ROOMS	GRADE	SPECIES	THICK-NESS	WIDTH	BLDG.PAPER	FINISH
First floor							
Second floor							
Attic floor	sq. ft.						

Additional information- ____________

9. PARTITION FRAMING:

Studs: wood, grade, and species ______ size and spacing ______ Other ______

Additional information: ______

10. CEILING FRAMING:

Joists: wood, grade, and species ______ Other ______ Bridging ______

Additional information: ______

11. ROOF FRAMING:

Rafters: wood, grade, and species ______ Roof trusses (see detail): grade and species ______

Additional information: ______

12. ROOFING:

Sheathing: wood, grade, and species ______ ☐ solid ☐ spaced ______" O.C.

Roofing ______ ; grade ______ ; size ______ ; type ______

Underlay ______ ; weight or thickness ______ ; size ______ ; fastening ______

Built-up roofing ______ ; number of plies ______ ; surface material ______

Flashing: material ______ ; gage or weight ______ ☐ gravel stops; ☐ snow guards

Additional information: ______

13. GUTTERS AND DOWNSPOUTS:

Gutters: material ______ ; gage or weight ______ ; size ______ ; shape ______

Downspouts: material ______ ; gage or weight ______ ; size ______ ; shape ______ ; number ______

Downspouts connected to: ☐ Storm sewer; ☐ sanitary sewer; ☐ dry-well. ☐ Splash blocks: material and size ______

Additional information: ______

14. LATH AND PLASTER:

Lath ☐ walls, ☐ ceilings: material ______ ; weight or thickness ______ Plaster: coats ______ ; finish ______

Dry-wall ☐ walls, ☐ ceilings: material ______ ; thickness ______ ; finish ______

Joint treatment ______

15. DECORATING: (Paint, wallpaper, etc.)

ROOMS	WALL FINISH MATERIAL AND APPLICATION	CEILING FINISH MATERIAL AND APPLICATION
Kitchen		
Bath		
Other		

Additional information: ______

16. INTERIOR DOORS AND TRIM:

Doors: type ______ ; material ______ ; thickness ______

Door trim: type ______ ; material ______ Base: type ______ ; material ______ ; size ______

Finish: doors ______ ; trim ______

Other trim *(item, Type and location)* ______

Additional information: ______

17. WINDOWS:

Windows: type ______ ; make ______ ; material ______ ; sash thickness ______

Glass: grade ______ ☐ sash weights; ☐ balances, type ______ ; head flashing ______

Trim: type ______ ; material ______ Paint ______ ; number coats ______

Weatherstripping; type ______ ; material ______ Storm sash, number ______

Screens: ☐ full; ☐ half-, type ______ ; number ______ ; screen cloth material ______

Basement windows: type ______ ; material ______ ; screens, number ______ ; Storm sash, number ______

Special windows ______

Additional information: ______

18. ENTRANCES AND EXTERIOR DETAIL:

Main entrance door: material ______ ; width ______ ; thickness ______" Frame: material ______ ; thickness ______"

Other entrance doors: material ______ , width ______ ; thickness ______" Frame: material ______ ; thickness ______"

Head flashing ______ Weatherstripping: type ______ ; saddles ______

Screen doors: thickness ______" ; number ______ ; screen cloth material ______ Storm doors: thickness ______ ; number ______

Combination storm and screen doors: thickness ______ ; number ______ ; screen cloth material ______

Shutters: ☐ hinged; ☐ fixed. Railings ______ ; Attic louvers ______

Exterior millwork: grade and species ______ Paint ______ ; number coats ______

Additional information: ______

19. CABINETS AND INTERIOR DETAIL:

Kitchen cabinets, wall units: material ______ ; lineal feet of shelves ______ ; shelf width ______

Base units: material ______ ; counter top ______ ; edging ______

Back and end splash ______ Finish of cabinets ______ ; number coats ______

Medicine cabinets: make ______ ; model ______

Other cabinets and built-in furniture ______

Additional information: ______

20. STAIRS:

STAIR	TREADS		RISERS		STRINGS		HANDRAIL		BALUSTERS	
	Material	Thickness	Material	Thickness	Material	Thickness	Material	Thickness	Material	Thickness
Basement										
Main										
Attic										

Disappearing: make and model number ______

Additional information: ______

21. SPECIAL FLOORS AND WAINSCOT: (Describe carpet as listed in Certified Products Directory.)

	Location	Material, Color, Border, Sizes, Gage, Etc.	Threshold Material	Wall Base Material	Underfloor Material
Floors	Kitchen				
	Bath				

	Location	Material, Color, Border, Sizes, Gage, Etc.	Height	Height Over Tub	Height in Showers (From Floor)
Wainscot	Bath				

Bathroom accessories: ☐ Recessed; material ______________; number_____ ; ☐ Attached; material ______________; number__________

Additional information: ____________________

22. PLUMBING

Fixture	Number	Location	Make	Mfr's Fixture Identification No.	Size	Color
Sink						
Lavatory						
Water closet						
Bathtub						
Shower over tub						
Stall shower						
Laundry trays						

A ☐ Curtain rod A ☐ Door ☐ Shower pan: material ____________________

Water supply: ☐ public; ☐ community system: ☐ individual (private) system.*

Sewage disposal ☐ public; ☐ community system: ☐ individual (private) system.*

** Show and describe individual system in complete detail in separate drawings and specifications according to requirements.*

House drain (inside); ☐ cast iron; ☐ tile; ☐ other ______________ House sewer (outside): ☐ cast iron; ☐ tile; ☐ other ______________

Water piping: ☐ galvanized steel; ☐ copper tubing; ☐ other ____________________ Still cocks, number ______________

Domestic water heater: type ______________; make and model ______________; heating capacity ______________

______________ gph. 100' rise. Storage tank: material ______________; capacity ______________ gallons.

Gas service: ☐ utility company; ☐ liq. pet. gas; ☐ other ______________ Gas piping: ☐ cooking; ☐ house heating.

Footing drains connected to ☐ storm sewer; ☐ sanitary sewer; ☐ dry well. Sump pump; make and model ______________

______________; capacity ______________; discharges into ______________

23. HEATING

☐ Hot water. ☐ Steam. ☐ Vapor. ☐ One-pipe system. ☐ Two-pipe system.

☐ Radiators. ☐ Convectors. ☐ Baseboard radiation. Make and model ______________

Radiant panel: ☐ floor; ☐ wall; ☐ ceiling. Panel coil: material ______________

☐ Circulator. ☐ Return pump. Make and model ______________; capacity ______________ gpm.

Boiler: make and model ______________ Output ______________ Btuh.; net rating ______________ Btuh.

Additional information: ______________

Warm air: ☐ Gravity. ☐ Forced. Type of system ______________

Duct material: supply ______________ return ______________ Insulation ______________; thickness ______________ ☐ Outside air intake.

Fumance: make and model ______________ Input ______________ Btuh.;output ______________ Btuh.

Additional information: ______________

☐ Space heater; ☐ floor furnace; ☐ wall heater. Input ______________ Btuh.; output ______________ Btuh.; number units ______________

Make, model ______________ Additional information: ______________

Controls: make and types ______________

Additional information: ______________

Fuel: ☐ Coal; ☐ oil; ☐ gas; ☐ liq. pet. gas; ☐ electric; ☐ other ______________; storage capacity ______________

Additional information: ______________

Firing equipment furnished separately: ☐ Gas burner, conversion type. ☐ Stoker: hopper feed ☐ ;bin feed ☐

Oil burner: ☐ pressure atomizing; ☐ vaporizing ______________

Make and model ______________ Control ______________

Additional information: ______________

Electric heating system: type ______________ Input ______________ watts;@ ______________ volts; output ______________ Btuh.

Additional information: ______________

Ventilating equipment: attic fan, make and model ______________, capacity ______________ cfm.

Kitchen exhaust fan, make and model ______________

Other heating, ventilating, or cooling equipment ______________

24. ELECTRIC WIRING:

Service; ☐ overhead; ☐ underground. Panel: ☐ fuse box; ☐ circuit-breaker; make ______________ AMP's ______ No. circuits ______

Wiring: ☐ conduit: ☐ armored cable; ☐ nonmetallic cable; ☐ knob and tube; ☐ other ______________

Special outlets: ☐ range; ☐ water heater; ☐ other ______________

☐ Doorbell. ☐ Chimes. Push-button locations. ______________ Additional information: ______________

25. LIGHTING FIXTURES:

Total number of fixtures ______________ Total allowance for fixtures, typical installations, $ ______________

Nontypical installation ______________

Additional information: ______________

26. **INSULATION:**

Location	Thickness	Material, Type, and Method of Installation	Vapor Barrier
Roof			
Ceiling			
Wall			
Floor			

27. **MISCELLANEOUS:** *(Describe any main dwelling materials, equipment, or construction items not shown elsewhere; or use to provide additional information where the space provided was inadequate. Always reference by item number to correspond to numbering used on this form.)*

HARDWARE: *(make, material, and finish.)*

SPECIAL EQUIPMENT: *(State material or make, model and quantity. Include only equipment and appliances which are acceptable by local law, custom and applicable FHA standards. Do not include items which, by established custom, are supplied by occupant and removed when he vacates premises or chattels prohibited by law from becoming realty.)*

PORCHES:

TERRACES:

GARAGES:

WALKS AND DRIVEWAYS:

Driveway: width ______ ; base material ______ ; thickness ______ ; surfacing material ______ ; thickness ______

Front walk: width ______ ; material ______ thickness ______ ; Service walk: width ______ ; material ______ ; thickness ______

Steps: material ______ ; treads ______ ; risers ______ ; Check walls ______

OTHER ONSITE IMPROVEMENTS:

(Specify all exterior onsite improvements not described elsewhere, including items such as unusual grading, drainage structures, retaining walls, fence, railings, and accessory structures.)

LANDSCAPING, PLANTING, AND FINISH GRADING:

Topsoil ______ " thick: ☐ front yard: ☐ side yards; ☐ rear yard to ______ feet behind main building.

Lawns *(seeded, sodded, sprigged)*:. ☐ front yard ______ , ☐ side yards ______ , ☐ rear yard ______

Planting: ☐ as specified and shown on drawings; ☐ as follows:

______ Shade trees, deciduous. ______" caliper.

______ Low flowering trees, deciduous. ______, to ______'

______ High-growing shrubs, deciduous. ______, to ______'

______ Medium-growing shrubs, deciduous, ______, to ______'

______ Low-growing shrubs, deciduous. ______, to ______'

______ Evergreen trees ______, to ______', B & B.

______ Evergreen shrubs ______ to ______', B & B.

______ Vines, 2-years

IDENTIFICATION. This exhibit shall be identified by the signature of the builder, or sponsor, and/or the proposed mortgagor if the latter is known at the time of application.

Date ______ Signature ______

Signature ______

Guidelines for the Purchase of Bidding Supplies and/or Soliciting for Subcontractors on Behalf of the Self-Help Participants
(Attachment O – OMB Circular A-110)

BEST PRACTICE - Organizations may use their own procurement policies and procedures. However, these policies and procedures must meet the following minimum standards:

1. No employee, officer, or agent shall participate in the selection, award, or administration of a contract in which federal funds are used where employees or their families have a financial interest. The recipients' officers, employees or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or potential contractors.
2. All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition.
3. Minimum procedural requirements –
    a. Actions must be taken to avoid purchasing unnecessary or duplicate items.
    b. The solicitations for goods and services shall be based on a clear and accurate description of the specifications; that is, the technical requirements for the material, product or service to be procured.
    c. Organizations should not use "cost plus a percentage of cost" method of contracting.
    d. Organizations should contract with contractors or suppliers who are responsible and have proven abilities.
    e. Organizations should include some form of price or cost analysis made in connection with every procurement action.
    f. Organizations should follow a system of contract administration to ensure contractor compliance.

Note: Contracts for over $10,000 should include various provisions to cover violations, breaches, etc.
Contracts for over $2,000 should have "Anti-Kick Back Act" provisions.

COST ESTIMATE SUMMARY

Owner____ Job Location______________________

House Plan_____________________ Bedrooms_____ Baths_____ L.A._____ C.P. & Storage_____

CATEGORY	ITEM DESCRIPTION	ESTIMATED COST
1. Foundation		1.________________
2. Framing		
	A. Framing Order ____________	
	B. Paint (First Order)____________	
	C. First Order Staples____________	
		2.________________
3. Exterior		
	A. Exterior Order ____________	
	B. Heating Order ____________	
		3.________________
4. Skins		
	A. Skins Order ____________	
	B. Brick ____________	
		4.________________
5. Interior		
	A. Interior Order ____________	
	B. Paint (Second Order)__________	
	C. Electrical -Complete Contract ____________	
	D. Light Fixtures - Complete Contract____________	
		5.________________
6. Plumbing		6.________________
7. Labor		7.________________
8. Fixed Cost		8.________________
9. Sales Tax and Contingency		9.________________
10. Fees		10._______________
	TOTAL	__________________

COST ESTIMATE SUMMARY

Owner____ Job Location____________________

House Plan___________________ Bedrooms_____ Baths_____ L.A._____ C.P. & Storage_____

CATEGORY	SUB-CATEGORY	ESTIMATED COST
1. General Excavation	Clear Lot & Stake Out House_____________ Basement/Crawl Space Excavation_________________	1. ________________
2. Masonry	Pour Footings________________ Basement/Crawl Space Walls______________________	2.________________
3. Framing/Sheathing	Floor ________________ Walls ________________ Roof ________________	3.________________
4. Windows & Doors		4.________________
5. Exterior Finish	Roofing/Shingles_____________ Siding ____________________ Gutters/Downspouts__________ Shutters/Vents_______________	5.________________
6. Electrical	Rough-In __________________ Finish __________________	6.________________
7. Plumbing	Rough-In __________________ Finish __________________	7.________________

8. Heating — Rough-In ________________ Finish ________________

8.________________

9. Insulation — 9.________________

10. Drywall/Access — 10.________________

11. Interior Doors/Trim — 11.________________

12. Interior Finish (Painting) — 12.________________

13. Kitchen Cabinets/Countertops — 13.________________

14. Floor Coverings — Vinyl ________________ Carpet ________________

14.________________

15. Fixtures — Lighting ________________ Bathroom ________________

15.________________

16. Hardware — Locksets ________________ Shelving & Doorstops__________

16.________________

17. Appliances — Range/Cord ________________ Range Hood ________________ Refrigerator ________________ Dishwasher ________________

17.________________

18. Utilities — Electric Hookup ______________ Impact Fees ______________ Permits ________________ Well/Pump ________________ Septic System ______________

18.________________

19. Landscaping — Sidewalks ________________ Decks/Porches ______________ Steps ________________ Driveway ________________ Mailbox ________________ Grading/Seeding ______________ Shrubs/Trees ________________

19.________________

20. Fixed Costs

Insurance ____________________
Surveys _____________________
Lot Cost _____________________
Closing Costs _________________
Contingency __________________

20.__________________

TOTAL ESTIMATE __________________

_______________________________ (Applicant)

_______________________________ (Construction Supervisor)

Sample Construction Draw Schedule
For $100,000 House

Land Purchase and Excavation	40%	$40,000
Footings/ Foundations	10%	$10,000
Framing / Sheathing Complete	20%	$20,000
Mechanicals Complete (Electric, plumbing, heating)	20%	$20,000
Final Inspection / Certificate of Occupancy	10%	$10,000
	100%	$100,000

BEST PRACTICE - Lien Waivers must be provided prior to advancement of the next draw.

	Group												
	Families												
	Construction Tasks	Start	End	Start	End	Start	End	Start	End	Start	End	Start	End
1	Excavation												
2	Footings, Foundations, Columns												
3	Floor Slab or Framing												
4	Sub-flooring												
5	Wall Framing & Sheathing												
6	Roof/Ceiling framing/sheathing												
7	Roofing												
8	Siding, Exterior Trim & Porches												
9	Windows & Exterior Doors												
10	Plumbing - Rough in												
11	Sewage Disposal												
12	Heating - Rough in												
13	Electrical - Rough In												
14	Insulation												
15	Dry Wall												
16	Basement or Porch Floor, Steps												
17	Heating – Finish												
18	Floor Covering												
19	Interior Carpentry, trim, door												
20	Cabinets & Counter Tops												
21	Interior Painting												
22	Exterior Painting												
23	Plumbing - Complete Fixtures												
24	Electrical - Complete Fixtures												
25	Finish Hardware												
26	Gutters & Downspouts												
27	Grading, Paving & Landscaping												
n/a	Final Inspection												
n/a	Move In Date												

Inspections, ETC.

Family Names						
County Footer Inspection						
R.D. Footer Inspection						
1st Termite Treatment						
2nd Termite Treatment						
County Framing Inspection						
R.D. Framing Inspection						
County Insulation Inspection						
RD Insulation Inspection						
Electrical Rough-In Inspection						
Electrical Final Inspection						
County Final Inspection						
RD Final Inspection						

SELF-HELP HOUSING PROGRAM FAMILY TIME SHEETS

FAMILY NAME : ______________________________ LOT : ________________________

TIME SHEET FOR: Beginning MONDAY ____________; Ending SUNDAY ______________

NOTE: It is your responsibility to complete time sheets on a weekly basis and give this time sheet to the Construction Supervisor on Sundays. When time sheets are not turned in it is assumed that you have no hours for that week.

DAY OF WEEK	WORKER	TIME IN	TIME OUT	TOTAL HOURS	TASKS PERFORMED & LOT #
MONDAY					
	TOTAL HOURS MONDAY:		________		
TUESDAY					
	TOTAL HOURS TUESDAY:		________		
WEDNESDAY					
	TOTAL HOURS WEDNESDAY:		________		
THURSDAY					
	TOTAL HOURS THURSDAY:		________		
FRIDAY					
	TOTAL HOURS FRIDAY:		________		
SATURDAY					
	TOTAL HOURS SATURDAY:				
SUNDAY					

TOTAL HOURS SUNDAY: ________

PLEASE ADD YOUR HOURS AND GIVE TOTAL FOR THE WEEK: ________________

HOMEOWNER'S SIGNATURE: ________________________

CONSTRUCTION SUP. SIGNATURE ________________________

7.
Staffing Needs and Hiring Schedule

1944.410(e)(5)

Staffing / Personnel

Having a good program, a sound budget, and a committed Board is only part of the equation. A self-help organization also needs qualified and motivated staff. If an organization is building a new program, there are several personnel issues that need to be addressed. These issues include determining staffing needs, developing job descriptions, developing personnel policies, and recruiting the staff.

The regulations require a description of the proposed hiring schedule, and availability of prospective employees. Additionally, a signed statement from the Board of Directors is required that authorizes the Executive Director to hire the necessary staff.

NOTE: Rural Development regulations do not allow nepotism in the self-help housing program. If there are individuals that work for a grantee that are related, please disclose the nature of their relationship. According to 1944-I there can not be relatives working in a line of command with each other.

Hiring Schedule
A hiring schedule is required to be included in the final application. This schedule should include all of the positions that will be paid out of the self-help housing grant funds. Indicate which of those positions have already been filled and the anticipated hiring dates of the remaining positions. Indicate whether these individuals will work full or part time and the percentage of their time that will be charged to the self-help program.

A suggested form is included in this section.

Availability of Prospective Employees
In order to prove to Rural Development that there are potential candidates whom an organization intends to hire, include the résumé and a letter of commitment from the candidate.

BEST PRACTICE - If the organization decides to wait until the grant is approved before interviewing and choosing applicants, include a description of how to find needed staff and a brief report on available personnel in the area. This will require a narrative describing the expected hiring process and the number of applications received for the job in question.

Job Descriptions
Job descriptions are required to be included in the Final Application. A typical small self-help organization traditionally employs the following staff:

- **Executive Director or Project Director:** This person has the responsibility of running and managing the self-help housing program.
- **Group Coordinator/Loan Packager:** This staff member works with the participants: screening them for the program, counseling and training them, helping them to fill out the required forms, etc.

Secretary/Bookkeeper: This person has the important responsibility of record keeping for both the 523 Grant funds and the participant 502 loan accounts, in addition to other duties.

Construction Supervisor: This staff person is responsible for the construction of the homes. He/she trains the self-help participants in housing construction; helps obtain supply and contractor bids; orders, receives, and inventories building materials; and performs other duties. This position must be able to work weekends and evening hours.

In initial staffing grantees may want to use the traditional self-help positions. However, each organization has its own unique program goals and objectives. Tailor the tasks and skills of each position to your program. Make any changes to job descriptions before advertising for the position. **BEST PRACTICE –** NCALL recommends that the mutual self-help staff hold "Skill Building" as a primary operating principle i.e. building skills in construction, teamwork/communication, budgeting, neighborhood development, and issue/dispute resolution.

Sample job descriptions follow.

More personnel information can be found in Section I, at the end of this manual.

Please note: Anytime a grantee restructures, rehires or adds staffing, Rural Development needs to be notified for prior approval prior to hiring changes occurring.

Self-Help Housing Staff

Name: ____

Position: ____

Number of Hours: ______________________________________

Number of Hours Charged to Self-Help:___________________

Employment Status: ____________________________________

Hire Date: ____

Name: ____

Position: ____

Number of Hours: ______________________________________

Number of Hours Charged to Self-Help:___________________

Employment Status: ____________________________________

Hire Date: ____

Name: ____

Position: ____

Number of Hours: ______________________________________

Number of Hours Charged to Self-Help:___________________

Employment Status: ____________________________________

Hire Date: ____

Name: ____

Position: ____

Number of Hours: ______________________________________

Number of Hours Charged to Self-Help:___________________

Employment Status: ____________________________________

Hire Date: ____

BEST PRACTICE - NCALL strongly recommends that this information be included in the application.

Sample Job Descriptions

Executive Director / Project Director

The Executive Director is directly responsible to the Board of Directors.

Duties and Responsibilities

- Implements and carries out the program as approved by the Board of Directors.
- Coordinates the staff activities to ensure that all personnel are used in an efficient manner and to establish work and hiring patterns to guarantee the best use of funds.
- Arranges or provides the training necessary for the staff's effective performance.
- Evaluates the work of the staff as outlined by job descriptions and program goals.
- Locates suitable building sites and develops property when and where required in conjunction with the participant and other self-help housing staff members.
- In conjunction with the participants, determines where and how to purchase quality construction materials at the most economical prices.
- In conjunction with the construction staff, determines which areas of construction to subcontract and ensures that the work that is subcontracted is done at the lowest prices.
- Develops a general set of house plans and cost estimates to allow for the construction of an economical and high-quality home that will comply with local building codes and Rural Development minimum property standards.
- Keeps abreast of new developments in cost and timesaving techniques in the construction of self-help housing.
- Is thoroughly knowledgeable about Rural Development's programs and policies and coordinates the staff's activities with Rural Development.
- Keeps abreast of developments in federal, state, and local housing development programs.
- Prepares progress reports for funding sources and/or Board of Directors to assist them in planning or program expansion.

Qualifications

- Familiarity with all phases of construction of houses, from land acquisition through construction.
- Familiarity with the principles and techniques of group organization and development.
- Administrative ability and experience.
- Ability to delegate authority and responsibility.
- Understanding of low-income people and their needs.
- Ability to share ideas and explore solutions to problems with other program participants, Board, staff, and members of the community.
- Ability to choose among alternative courses of action and assume responsibility for the operation of the program undertaken.
- Basic understanding of program or program financing.

Construction Supervisor

The Construction Supervisor reports directly to and is supervised by the Executive Director.

Duties and Responsibilities

- Trains and supervises groups of participants in the construction of their homes using the mutual self-help construction method.
- Organizes work crews of participants for maximum efficiency of manpower and materials.
- Teaches tool-use safety, maintains safe working conditions, and obtains adequate tools for jobs to be performed.
- Prepares house plans, dwelling specifications, and cost estimates; secures subcontractors as required and monitors their work; orders and purchases construction materials.
- Maintains records as required.
- Keeps all aspects of construction in compliance with all applicable regulations, standards, and codes.
- Participates in all building inspections carried out by Rural Development and local building inspectors.

Qualifications

- Professional building skill or equivalent carpentry training.
- Ability to teach building skills to unskilled workers.
- Ability to work with people of varying socioeconomic levels.
- Willingness to work irregular hours as required.
- Housing construction experience in the program area.

Note: On larger grants it may be necessary to hire an Assistant Construction Supervisor, or to establish an in-house Construction Manager with on-site Construction Supervisors.

Group Coordinator/ Loan Packager

The Group Coordinator / Loan Packager reports directly to and is supervised by the Executive Director.

Duties and Responsibilities

- Recruits participants for the Mutual Self-Help Housing Program.
- Helps applicants prepare 502 Rural Housing loan applications for submission to Rural Development, including loan closing procedures. Typical duties include verifying employment and income, and making preliminary determination of eligibility.
- Organizes associations of participants for the purpose of home construction.
- Holds preconstruction meetings of participants to provide them with the information about the self-help concept and program and their responsibilities as homeowners.
- Counsels applicants on barriers to eligibility for participation and suggests steps they can take to remedy their financial situation.
- Acts as the primary liaison between the self-help organization and Rural Development for matters pertaining to loan processing.
- Helps participants during the construction phase to (1) encourage maximum participation, (2) resolve individual and group related problems, and (3) provide information on labor-saving and record keeping devices.
- Maintains records as required.

Qualifications

- High school diploma or equivalent.
- Ability to plan and deliver training to the participants.
- Ability to organize the participants into working groups and encourage group participation / interaction.
- Ability to express ideas clearly and concisely; good writing and verbal skills.
- Ability to work with minimum supervision.
- Ability to work with low- and moderate-income households.
- Willing to work flexible hours.

Secretary / Bookkeeper

The Secretary / Bookkeeper reports directly to and is supervised by the Executive Director.

Duties and Responsibilities

- Typed correspondence, memoranda, forms, reports, and other materials as needed.
- Performs general receptionist duties such as answering the telephone and greeting visitors.
- Maintains adequate office supplies and property inventory (office and tool equipment).
- Maintains personnel records (e.g., time and attendance reports, annual leave, and sick leave records) and prepares staff payroll.
- Receives and pays accounts for (1) the self-help organization itself; and (2) the self-help participants. Duties include verifying invoices, classifying expenditures, preparing payment vouchers, posting checks to cash disbursements journal, and balancing bank statements.
- Prepares financial reports as needed for the self-help organization and Rural Development.

Qualifications

- High school diploma or equivalent with satisfactory completion of business courses.
- At least one, and preferably two, years of related clerical / bookkeeping experience.
- A minimum typing ability of 50 words per minute; some shorthand is desirable.
- Ability to operate various kinds of office equipment (e.g., mimeograph machine, Xerox machine, calculator).

Salary Ranges and Fringe Benefits

Develop salary ranges and fringe benefits for each position -- must be justified as being reasonable in the proposed area (OMB Circular A-122, Attachment B, Paragraph 6(2)).

BEST PRACTICE - Achieving equity is difficult at best; but a good salary survey is a necessary step in the right direction. A sample salary survey can be found in NCALL's Pre-Application Training.

Salary Survey

Purpose

The purpose of a salary survey is to assure equitable wage levels, to support the budget you are requesting (the largest percentage of the program budget will go toward staff), and to provide reasonable ability for you to recruit staff.

Procedure

In order to conduct a salary survey, the job descriptions must be developed first. Then prepare a list of suitable agencies to survey, look for comparable job positions: (Group Coordinator, social workers, counselors, and loan processors). **BEST PRACTICE -** Elaborate surveys are not required and there is no minimum or maximum number required for a formal survey. Surveying one or two similar positions is better than numerous dissimilar positions.

Prepare and distribute job data to agencies and analyze the incoming data obtained from other agencies. After summarizing the findings an organization should be ready to establish starting salaries for all positions, confident that a fair wage is being offered that will attract applicants.

8.
Authorized Representative of Applicant

1944.410(e)(6)

Authorized Representative

Provide the name, address and official position of the applicant's representative that is authorized to act for the applicant and work with Rural Development.

9.
Budget Information – Non Construction

- **424 – A**
- **Detailed Budget**
- **Detailed Budget Narrative**
- **RD Letter**
- **Method of TA Cost**

1944.410(e)(7)

Budget and Financial

The proposed budget must be on form **SF-424A, "Budget Information (Non-Construction Programs).** Complete it using the example that follows. A copy of this form can be obtained at www.hudclips.org.

BEST PRACTICE - Include a more detailed budget and a budget narrative; this can be helpful in explaining what the categories contain. A Budget Worksheet is provided in this Section to help you develop that detailed Budget.

NOTE: Also in this section, insert a letter from the Rural Development Local Office giving the current (less than 12 months old) equivalent value of comparable contractor-built 502 home. Include total square feet and total living area. The letter should include the actual or projected cost of an acceptable site and site development.

NOTE: On a separate sheet include the calculation of how the total grant amount was calculated and which allowable method was used.

Only authorized expenses are allowed (1944.405). The allowed expenses include:

- Personnel salaries
- Employment benefit costs -- including but not limited to workers comp, employer's share social security, health benefits, reasonable tax deferred pension plan, unemployment
- Reasonable office expenses -- Office rental, office utilities, office equipment rental - purchase allowed when more economical than renting, phone – including cell phone usage
- Office supplies (Paper, pens, pencils, trade magazines)
- Purchase or lease and maintenance of power or specialty tools -- The following list will provide an adequate, although basic, inventory of tools most appropriate for start-up and small volume self-help agencies: Skill-saw (7 1/4" with carbide, crosscut & rip blades), a set of high speed drill bits, cloth nail bags, finish and framing hammers, speed squares, a 3/8" cordless drill, a set of spade drill bits, cats-paw, builder's framing square and drywall hammers, generators, work area lamps and saw horses. Families must provide their own hand tools such as hammers and handsaws.
- Travel expenses to the site, and suppliers
- Liability insurance/Volunteers insurance
- Reasonable fees for training grantee personnel including board members to attend training authorized by the board of directors and when necessary for employee to do current job.
- Payment of services rendered by a sponsor or other organization when the cost of those services
  provides an overall reduction in the cost of assistance.
- Payment of certain consulting and legal costs required in the administration of the grant if the service is not available without a fee. Does not include legal expenses for claims against the government. A legal expense incurred for benefit of participating families may be authorized with prior approval of the State Director.
- Payment of accountant to set up accounting system and perform audits.

  - Reasonable expenses of board members for attending regular or special board meetings.

- **Prohibited uses of grant funds:**
  - Hiring personnel specifically for performing the construction work for participating families
  - Buying real estate, building materials or other property of any kind for participating families
  - Paying for training of employee as authorized in attachment B of OMB Circular A-122
  - Paying for costs other than approved indirect that are not directly related to helping very low income families obtain housing consistent with the objectives of the self-help program.

OMB Approval No. 4040-0006
Expiration Date 04/30/2008

BUDGET INFORMATION - Non-Construction Programs

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.		$	$	$	$	$
2.						
3.						
4.						
5. Totals		$	$	$	$	$

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total
	(1)	(2)	(3)	(4)	(5)
a. Personnel	$	$	$	$	$
b. Fringe Benefits					
c. Travel					
d. Equipment					
e. Supplies					
f. Contractual					
g. Construction					
h. Other					
i. Total Direct Charges (sum of 6a-6h)					$
j. Indirect Charges					$
k. TOTALS (sum of 6i and 6j)	$	$	$	$	$
7. Program Income	$	$	$	$	$

SECTION C - NON-FEDERAL RESOURCES				
(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8.	$	$	$	$
9.				
10.				
11.				
12. TOTAL (sum of lines 8-11)	$	$	$	$

SECTION D - FORECASTED CASH NEEDS					
	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	$	$	$	$	$
14. Non-Federal	$				
15. TOTAL (sum of lines 13 and 14)	$	$	$	$	$

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT				
(a) Grant Program	FUTURE FUNDING PERIODS (Years)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16.	$	$	$	$
17.				
18.				
19.				
20. TOTAL (sum of lines 16 - 19)	$	$	$	$

SECTION F - OTHER BUDGET INFORMATION	
21. Direct Charges:	22. Indirect Charges:
23. Remarks:	

Instructions for the SF-424A

Public Reporting Burden for this collection of information is estimated to average 3.0 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Please do not return your completed form to the Office of Management and Budget; send it to the address provided by the sponsoring agency .

General Instructions

This form is designed so that application can be made for funds from one or more grant programs. In preparing the budget, adhere to any existing Federal grantor agency guidelines which prescribe how and whether budgeted amounts should be separately shown for different functions or activities within the program. For some programs, grantor agencies may require budgets to be separately shown by function or activity. For other programs, grantor agencies may require a breakdown by function or activity. Sections A, B, C, and D should include budget estimates for the whole project except when applying for assistance which requires Federal authorization in annual or other funding period increments. In the later case, Sections A, B, C, and D should provide the budget for the first budget period (usually a year) and Section E should present the need for Federal assistance in the subsequent budget periods. All applications should contain a breakdown by the object class categories shown in Lines a-k of Section B.

Section A. Budget Summary Lines 1-4 Columns (a) and (b)

For applications pertaining to a **single** Federal grant program (Federal Domestic Assistance Catalog number) and **not requiring** a functional or activity breakdown, enter on Line 1 under Column (a) the catalog program title and the catalog number in Column (b).

For applications pertaining to a **single** program **requiring** budget amounts by multiple functions or activities, enter the name of each activity or function on each line in Column (a), and enter the catalog number in Column (b). For applications pertaining to multiple programs where none of the programs require a breakdown by function or activity, enter the catalog program title on each line in **Column** (a) and the respective catalog number on each line in Column (b).

For applications pertaining to **multiple** programs where one or more programs **require** a breakdown by function or activity, prepare a separate sheet for each program requiring the breakdown. Additional sheets should be used when one form does not provide adequate space for all breakdown of data required. However, when more than one sheet is used, the first page should provide the summary totals by programs.

Lines 1-4, Columns (c) through (g)

For new applications, leave Columns (c) and (d) blank. For each line entry in Columns (a) and (b), enter in Columns (e), (f), and (g) the appropriate amounts of funds needed to support the project for the first funding period (usually a year).

For continuing grant program applications, submit these forms before the end of each funding period as required by the grantor agency. Enter in Columns (c) and (d) the estimated amounts of funds which will remain unobligated at the end of the grant funding period only if the Federal grantor agency instructions provide for this. Otherwise, leave these columns blank. Enter in columns (e) and (f) the amounts of funds needed for the upcoming period. The amount(s) in Column (g) should be the sum of amounts in Columns (e) and (f).

For supplemental grants and changes to existing grants, do not use Columns (c) and (d). Enter in Column (e) the amount of the increase or decrease of Federal funds and enter in Column (f) the amount of the increase or decrease of non-Federal funds. In Column (g) enter the new total budgeted amount (Federal and non-Federal) which includes the total previous authorized budgeted amounts plus or minus, as appropriate, the amounts shown in Columns (e) and (f). The amount(s) in Column (g) should not equal the sum of amounts in Columns (e) and (f).

Line 5—Show the totals for all columns used.

Section B. Budget Categories

In the column headings (a) through (4), enter the titles of the same programs, functions, and activities shown on Lines 1-4, Column (a), Section A. When additional sheets are prepared for Section A, provide similar column headings on each sheet. For each program, function or activity, fill in the total requirements for funds (both Federal and non-Federal) by object class categories.

Lines 6a-i—Show the totals of Lines 6a to 6h in each column.

Line 6j—Show the amount of indirect cost.

Line 6k—Enter the total of amounts on Lines 6i and 6j. For all applications for new grants and continuation grants the total amount in column (5), Line 6k, should be the same as the total amount shown in Section A, Column (g), Line 5. For supplemental grants and changes to grants, the total amount of the increase or decrease as shown in Columns (1)-(4), Line 6k should be the same as the sum of the amounts in Section A, Columns (e) and (f) on Line 5.

Line 7—Enter the estimated amount of income, if any, expected to be generated from this project. Do not add or subtract this amount from the total project amount. Show under the program narrative statement the nature and source of income. The estimated amount of program income may be considered by the federal grantor agency in determining the total amount of the grant.

Section C. Non-Federal Resources

Lines 8-11—Enter amounts of non-Federal resources that will be used on the grant. If in-kind contributions are included, provide a brief explanation on a separate sheet.

Column (a)—Enter the program titles identical to Column (a), Section A. A breakdown by function or activity is not necessary.

Column (b)—Enter the contribution to be made by the applicant.

Column (c)—Enter the amount of the State's cash and in-kind contribution if the applicant is not a State or State agency. Applicants which are a State or State agencies should leave this column blank.

Column (d)—Enter the amount of cash and in-kind contributions to be made from all other sources.

Column (e)—Enter totals of Columns (b), (c), and (d).

Line 12—Enter the total for each of Columns (b)-(e). The amount in Column (e) should be equal to the amount on Line 5, Column (f) Section A.

Section D. Forecasted Cash Needs

Line 13—Enter the amount of cash needed by quarter from the grantor agency during the first year.

Line 14—Enter the amount of cash from all other sources needed by quarter during the first year.

Line 15—Enter the totals of amounts on Lines 13 and 14.

Section E. Budget Estimates of Federal Funds Needed for Balance of the Project

Lines 16-19—Enter in Column (a) the same grant program titles shown in Column (a), Section A. A breakdown by function or activity is not necessary. For new applications and continuation grant applications, enter in the proper columns amounts of Federal funds which will be needed to complete the program or project over the succeeding funding periods (usually in years). This section need not be completed for revisions (amendments, changes, or supplements) to funds for the current year of existing grants.

If more than four lines are needed to list the program titles, submit additional schedules as necessary.

Line 20—Enter the total for each of the Columns (b)-(e). When additional schedules are prepared for this Section, annotate accordingly and show the overall totals on this line.

Section F. Other Budget Information

Line 21—Use this space to explain amounts for individual direct object-class cost categories that may appear to be out of the ordinary or to explain the details as required by the Federal grantor agency.

Line 22—Enter the type of indirect rate (provisional, predetermined, final or fixed) that will be in effect during the funding period, the estimated amount of the base to which the rate is applied, and the total indirect expense.

Line 23—Provide any other explanations or comments deemed necessary.

Budget Worksheet

	1st Year	2nd Year
A. Personnel Salaries		
Executive / Project Director	________	________
Group Worker / Loan Packager	________	________
Secretary / Bookkeeper	________	________
Construction Supervisor	________	________
Other: ____________________	________	________
Other: ____________________	________	________

Note: Consider a cost of living and / or merit increase for your employees.

TOTAL Personnel per year	**$______**	**$______**

TOTAL Personnel _______________

	1st Year	2nd Year
B. Fringe Benefits		
Worker's Compensation	________	________
FICA / Social Security	________	________
Health Insurance	________	________
Unemployment Insurance	________	________
Other: _________________________	________	________
TOTAL Fringe Benefits per year	**$______**	**$______**

TOTAL Fringe Benefits _______________

C. Travel		
Local Travel Reimbursement	________	________
Out of Town Travel	________	________
Costs to attend Annual Self-Help Conference	________	________
Other	________	________

Note: Current government mileage rate is $.445 per mile. (As of 1/06)

TOTAL Travel per year	**$______**	**$______**

TOTAL Travel _______________

D. Equipment		
Office Equipment		
Desks	________	________
Chairs	________	________

	1st Year	2nd Year
File Cabinets (locking)	________	________
Bookcases	________	________
Computer / Printer	________	________
Facsimile Machine	________	________
Copy Machine	________	________
Other Office Machines	________	________

Note: Purchase of office equipment is permissible when the grantee determines it to be more economical than renting.

Subtotal Office Equipment per year	**$______**	**$______**
SUBTOTAL Office Equipment	**________________**	

Power or Specialty Tools

Power Saws	________	________
Electric Drills	________	________
Saber Saws	________	________
Ladders	________	________
Scaffolds	________	________
Others	________	________

Note: The participating families are expected to provide their own hand tools, such as hammers and hand saws.

Subtotal Tools per year	**$_______**	**$_______**
SUBTOTAL Tools	**________________**	
TOTAL Equipment per year	**$______**	**$______**
TOTAL Equipment	**________________**	

E. Supplies

Letterhead and Envelopes	________	________
Pens and Pencils	________	________
Other Office Supplies	________	________
TOTAL Supplies per year	**$______**	**$______**
TOTAL Supplies	**________________**	

	1st Year	2nd Year
F. Contractual		
Auditing and / or Accounting	________	________
Legal Services	________	________
Sponsor Services	________	________
Architectural / Engineering	________	________
Note: You can pay sponsors from grant funds only if the sponsor can provide services that will reduce the cost of assistance.		
TOTAL Contractual per year	**$______**	**$______**

TOTAL Contractual _______________

	1st Year	2nd Year
G. Other Costs		
Rent	________	________
Utilities		
Gas	________	________
Electric	________	________
Water	________	________
Other	________	________
Telephone		
Basic Service	________	________
Long Distance	________	________
Installation	________	________
Cell Phone Service	________	________
Maintenance		
Janitorial Service	________	________
Repair Fund (if necessary)	________	________
Postage		
Postage	________	________
Annual Fee for Bulk Mail Permit	________	________
Bulk Mail Postage Estimate	________	________
Publications and Subscriptions		
Annual Subscription Fees	________	________
Books, Pamphlets, etc.	________	________
Printing, Copying, and Advertising	________	________
National Self-Help Housing Association Annual Fee	________	________
Insurance		
Liability	________	________
Other	________	________
Staff / Board Training	________	________

Note: Traveling cost may include the cost of travel and per diem to attend in or out of state training. [19944-I, 1944.405(g)]

TOTAL Other Costs per year	**$______**	**$______**

TOTAL Other Costs _______________

	1st Year	2nd Year
H. Indirect Costs		
TOTAL Indirect Costs per year	**$______**	**$______**
TOTAL Indirect Costs	**______________**	
TOTALS (Per Year)	$______	$______
TOTAL (Both Years)	**$___________**	

Sample Budget Narrative

Salaries: Our salary scale is attached. Salary levels are comparable or less than similar positions in our area according to a wage survey recently published by Labor Market Information for our state (copy attached). All personnel are expected to start at Step 1. All employees will move up one step at the start of the second year. The bookkeeper will also serve as receptionist and provide clerical assistance. The group worker will work an average of 20 hours per week and will also perform other administrative duties. The budget includes funds for a COLA increase of 4% effective January 2008 and another effective January 2009.

Fringe Benefits: FICA amounts are based on a rate of 7.65% for each year. Worker's Compensation insurance was computed at 0.63% for clerical employees and at 14.08% for the Construction Supervisor. Unemployment Compensation is based on the present rate of 1.83% of salaries. Medical/Health Insurance for only the three full-time employees is expected to cost a total of $15,164 for the first year. We have estimated that the costs will increase by 10% during the second year. Total fringe benefits are 28.3% of salary. We feel the full time employees should be provided with health care benefits since they will have very little long term job security and no retirement benefits except social security.

Travel: Our construction sites will be approximately 10 miles from the proposed office space and we expect the Executive Director to travel to the construction sites at least twice a week and to make many trips to family homes, Rural Development offices, suppliers, land sites, etc. to inspect progress, help recruit, handle problems, conduct training, attend meetings, locate building sites, etc. We expect he will travel 400 miles per month. The Construction Supervisor will travel at least 400 miles per month to visit the suppliers of building materials and contractors to discuss orders, deliveries, progress, and problems. We also expect the Bookkeeper and Group Worker to travel a combined total of 200 miles per month to the Rural Development office, family homes, banks, post office, etc.

Air Travel/ Car Rental/ Per Diem/ Lodging: This item will provide for our staff to attend some of the regional and national training conferences sponsored by NCALL and Rural Development. Amounts are just estimates as no knowledge is available of at this time regarding the number, length, or location of these conferences.

Consumable Equipment and Tools: This item will allow for the purchase of miscellaneous office equipment such as used desks, chairs, filing cabinets, etc. It will also allow for the purchase of power saws, electric drills, saber saw, step ladders, wheel barrows, staple guns, tape measures, etc. to be used by the participating families.

Nonexpendable Equipment and Tools: We have established a cost per item of $500 or more for nonexpendable personal property. This item will allow for the purchase of two computers, one table saw, two extension ladders, scaffolding, one miter box saw and other items that may be needed.

Equipment Rental and Repair: Will allow the rental of a copying machine for use in the office and periodic rental of construction equipment such as a generator and heater. Also provides for repair of equipment, furniture, and tools.

Supplies: This item will allow for the purchase of miscellaneous office supplies such as paper, pens, pencils, ledger sheets, staplers, and calculators, etc.

Contractual Expenses: Our contractual expenses are made up of audit and accounting as well as architectural and engineering expenses. This will allow for a CPA's assessment of the accounting system at the beginning of the grant period and an annual detailed audit of grant accounting records and family loan records. This cost is based on discussions with two local accountants and other grantees in the state. The architectural fees will allow for the purchase of additional house plans and blueprint copies acceptable to Rural Development.

Space Rental: Rental estimate is based on rates advertised in the local newspapers and from discussions with local Realtors for the minimum amount of office space needed. A modest office of about 700 sq. ft. will be sought. We have estimated that rental costs will increase by 10% for the second year because of the expected shortage of rental space in this area as recommended by local Realtors.

Utilities: The charges here are based on previous experience on gas and electric fees, with the self-help program paying 33% based on the break down of square foot usage per program.

Telephone: Will allow for the installation of four telephone instruments on one line and for necessary monthly and toll charges. Calls to many suppliers in this area, the Rural Development District Office and NCALL are toll calls. The Construction Supervisor will have a cell phone for use on site, based on a charge of $40 per month.

Postage: This estimate is based on costs incurred by another grantee in this state and the recent 14% increase in rates.

Printing, Advertisement, Publications, and Memberships: Miscellaneous printing is expected to cost $150 per year and advertising for lots and self-help families $450 per year. Miscellaneous publications and memberships such as the Rural Housing Coalition and several trade magazines will cost approximately $100 per year.

Insurance: Will allow for limited general liability insurance and for coverage on construction and office equipment. Insurance rates continue to rise dramatically so we have allowed for a 10% increase the second year. Costs are based on discussions with local agents.

Surety Bond: Will provide bonding as required by Rural Development. Cost is based on discussions with local insurance agents and other grantees in the state.

Educational Improvements: Will provide for the cost of relevant seminars and educational materials for staff.

Sample Maximum TA Amount Calculation

Equivalent Value of Modest Housing X 15% X # of Homes Proposed = Maximum TA Budget

____________________ X .15 X ______ = ____________________

National Self-Help Housing Directors Association

The National Self-Help Housing Directors Association is an organization made up of self-help housing grantees all across the nation that come together to unify their voice and their cause. There is an annual dues requirement to join the association. This cost is an allowable expense under the Section 523 Self-Help Housing Grant. These fees help to lobby Congress for increased funding and improve laws to assist the cause of rural housing. Don't forget to add this expense into your budget. The following is the current annual dues structure of the organization:

523 Grant Amount	Dues
0—$200,000	$200
$200,001—$500,000	$300
$500,001—$1,000,000	$400
Over $1 million	$500

10.
Indirect or Direct Cost

- Transmittal Letter
- Response
- Proposal

1944.410(e)(8)

Direct or Indirect Cost Policy

For the 523 grant, an approved direct or indirect cost policy must be submitted. In addition, you must document the indirect cost rate or the lack thereof. (An indirect cost rate is a mechanism used by the federal government to reimburse indirect costs to organizations receiving federal funding.)

If an organization has never obtained an indirect cost rate, a grantee must submit the indirect or direct cost policy with the 523 pre-application. The negotiated indirect cost rate or some type of documentation from DOI indicating an indirect cost rate is not needed but must be submitted with the 523 application. Grant approval will be held up until this requirement is met.

If an organization is multi-funded and has already negotiated in indirect cost rate, submit this documentation with the 523 pre-application. This is all the documentation required.

Indirect Cost/ Direct Cost Allocation

An Indirect Cost Plan or a Direct Cost Allocation Plan is required when an organization has more than one grant or one source of funding. It enables actual costing on each project and prohibits the mixing of funds. The regulations that require this are OMB Circular A-87 for local governments and OMB Circular A-122 for nonprofit organizations.

Indirect Cost Method

Using the indirect cost method is recommended when shared costs become impractical to be charged directly to various funding sources. It provides a more equitable distribution of expenses, reduces record keeping and makes it easier to assure that funds are properly accounted for as required by OMB circulars. Shared costs generally consist of administrative salaries, consumable supplies, office rent, insurance, general telephone expenses, and audit fees.

Indirect cost rate is used to determine the amount each funding source is charged. It is a rate that is a ratio, expressed as a percentage, of the shared or common costs to a direct cost base

The direct cost base is usually either total direct costs or direct salaries and wages. You must determine which is a fair charge for your situation. The goal is to keep your indirect rate as low as possible and direct allocation base is as large as possible. The direct allocation base for each funding source is multiplied by the rate and the funds are transferred to the indirect cost pool to pay the indirect charges.

Direct Cost Allocation Plan

An exception of an indirect cost plan may be granted if an organization is capable of directly charging administrative costs in a consistent manner. You must be able to document direct allocations in all cost categories and you must prepare a cost allocation plan and have it approved by your cognizant agency. (Your cognizant agency is your largest Federal funding source, in the case of Rural Development, they have contracted out to the Department of the Interior’s National Business Center, so DOI will have to approve your cost plan.)

Selecting One Method Over Another

In selecting one method over another consideration needs to be given to the time and money required to achieve the greater degree of accuracy. The point is to be able to avoid inconsistent costing.

Cognizant Agency

The cognizant agency is usually the largest Federal funding source of an organization and acts on behalf of all other federal agencies in approving the organizations’ indirect cost rate or direct cost allocation plan. In the case of Rural Development, they have contracted out to the Department of the Interior’s National Business Center. So someone from DOI may help design and will have to approve the cost plan.

An organization will propose an indirect cost rate to the cognizant agency and then an agreement is reached. If your largest federal funding source is the USDA Rural Development 523 grant, the indirect cost rate proposal and/or cost allocation plan needs to be submitted to DOI's National Business Center at the following address:

Deborah Moberly, Deputy Coordinator
Indirect Cost Services
U.S. Department of the Interior
National Business Center
2180 Harvard Street, Suite 430
Sacramento, CA 95815
916-566-7111

BEST PRACTICE - In order to expedite the processing of an application, make sure to mention in a cover letter that your organization receives funds from USDA Rural Development. Also, send in the most recent audited financial statements. Visit their website at http://www.nbc.gov/icsprep.html for more information on what to include in an indirect cost rate proposals as well as to obtain sample forms, checklists and links to related websites.

Guidelines for plans:
If assistance is needed in developing a plan, NCALL, Rural Development, or the Department of the Interior's National Business Center will be able to help.

Deadlines for Submitting Proposal
The deadlines for submitting a proposal are as follows:

- Existing cost allocation plans or indirect cost rates should be submitted with the pre-application.
- Proposed direct cost plans or indirect cost plans that have been submitted to DOI should be submitted with the final application, but these need to be approved before the grant is closed. Proposals should be submitted to the Department of Interior's National Business Center no later than the time the final application is forwarded to Rural Development to enable this to be approved.

Sample Allocation of Shared Costs Using a Direct Cost Allocation System

With a direct allocation plan the payment of administrative (indirect type) expenses are prorates to the different funding sources based on the percentage each funding source's base amount is to the total base amount.

In this example the total direct costs is used as a base.

Grant	Direct Costs	%Share	Share of Admin.	Total Costs
RD	$ 182,143	42.4%	$ 37,543	$ 219,686
State CDBG	86,100	20.0%	17,709	103,809
Church Grant	105,359	24.5%	21,694	127,053
Foundation Grant	56,235	13.1%	11,600	67,835
Totals	429,837	100.0%	$ 88,546	$ 518,383

Total Admin Expenses	88,546
Total Costs	$ 518,383

Sample Allocation of Shared Costs Using an Indirect Cost Rate System

The indirect cost rate is a ratio, expressed as a percentage, of an indirect cost pool and some direct cost base. The direct cost base is commonly either direct salaries and wages or total direct costs. With this system, only expenses that cannot be equitably directly charged to a funding source are usually considered as an indirect cost.

In this example the total direct costs is used as a base.

Grant	Direct Costs	Share of Indirect Costs	Total Costs
RD	$ 182,143	$ 37,521	$ 219,664
State CDBG	86,100	17,737	103,837
Church Grant	105,359	21,704	127,063
Foundation Grant	56,235	11,584	67,819
Totals	429,837	$ 88,546	$ 518,383

Total Indirect Costs	88,546
Total Costs	$ 518,383

Indirect Cost Rate $\frac{88,546}{429,837}$ =20.6%

11. Monthly Activities Schedule

1944.410(e)(10)

Monthly Activity Schedule

A monthly activity schedule needs to be developed and included in the final application. The schedule should include proposed dates for starting and completion of recruitment, loan processing and construction for each group of participants. The activity schedule should cover the full grant period, from the date the self-help agreement will be signed until the end of the grant. A detailed construction schedule is also recommended.

When should the monthly activity schedule be prepared?
BEST PRACTICE - A tentative monthly activity schedule is necessary from the time of preparation of the pre-application. It should then be finalized close to time of final application submittal.

What is the purpose of a schedule?
A plan that is not in writing does not really exist – everyone will have their own ideas of what is possible. **BEST PRACTICE -** By setting specific goals, identifying time targets and the person responsible, everyone will know what he or she is supposed to do and how their performance will be measured. A schedule's purpose is to aid in identifying potential problems and opportunities, improve decision-making process, and focus grant activities to results. This is especially important in the self-help program because it has many interdependent actions.

What should be included in the schedule?
Schedule development of the self-help project, including long, intermediate, and short-term goals.

- Long term goals are the goals of the grant - the number of homes, time frame and managing the budget with the funds allotted.
- Intermediate goals are for each group of participants, recruitment, lot options, preparation of construction and loan dockets, preconstruction meetings and finally actual construction.
- Short-term goals are a matter of defining the action plan for each group of participants. They should be specific, identify times, targets and person(s) responsible. Which staff person is responsible for recruitment of participants, site acquisition, construction documents and loan packaging?

BEST PRACTICE - Planning the time dimension. It is more realistic to estimate time intervals as a range rather than a precise amount. The objective is to determine the shortest amount of time necessary to complete the project realistically. Fast responses require parallel action and concurrent efforts. Start with the work breakdown structures and determine what is required to complete each subunit. Next determine what sequence the subunits may be completed and which ones can be underway at the same time. From this analysis, the four most significant time elements can be determined.

- Duration of each step
- Earliest time each step may be started
- Latest time each step may be started
- Latest time each step may be completed

Implementation Stage
In order to implement the plan, everybody must have a strong commitment to the self-help project. **BEST PRACTICE -** The activity schedule should be monitored on a regular basis through regularly scheduled staff and planning meetings. Also, through the Rural Development's monitoring there are some built in time frames in which the grant will be assessed, such as the Quarterly Review Meetings. These meetings will provide feed back, schedule comparison and a chance to make adjustments.

NOTE: Some samples follow.

Self-Help Agency Monthly Activities Schedule
16 Families

Month	Group 1	Group 2
Mar-08	Grant Closing	
Apr-08	Loan Closing	Recruitment
May-08	Construction	Recruitment
Jun-08	Construction	Recruitment
Jul-08	Construction	Recruitment
Aug-08	Construction	Recruitment
Sep-08	Construction	Loan Processing
Oct-08	Construction	Loan Processing
Nov-08	Construction	Loan Processing
Dec-08	Construction	Loan Processing
Jan-09	Construction	Loan Processing
Feb-09	Final Inspection	Loan Closing
Mar-09		Construction
Apr-09		Construction
May-09		Construction
Jun-09		Construction
Jul-09		Construction
Aug-09		Construction
Sep-09		Construction
Oct-09		Construction
Nov-09		Construction
Dec-09		Construction
Jan-10		Construction
Feb-10		Final Inspection

Proposed Monthly Activities Schedule

	Group 1 **<u>7 Homes</u>**	Group 2 **<u>7 Homes</u>**		
April 08	Grant & Loan Closing			
May	C			
June				
July				
August		R		
September				
October				
November				
December			L	
January 09		R		
February				
March	C		L	
April				C
May				
June				
July				
August				
September				
October				
November				
December				
January 10				
February				
March				C

R = Recruitment
L = Loan Processing
C = Construction

You can change the months around any way that is necessary. The only requirement in the self-help regulation is that recruitment, loan processing and construction are shown. On average most grantees take nearly 12 months to completely finish a group of homes. It is understood that you may be working on your new grant request as you are constructing the homes.

Sample Monthly Activity Schedule

Site Name	No. of Families	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Group #1 Dover	7	^	+	+	+	+	+	+	+	+															
Group #2 Camden	7	*	*	*	*	-	-	-	-	^+	+	+	+	+	+	+	+								
Group #3 Dover 2	7								*	*	*	*	*	-	-	-	-	^+	+	+	+	+	+	+	+

Key: ^ = Loan Closing
+ = Construction
* = Recruitment
- = Loan Processing

Total number of units planned 21. The grant is scheduled to begin in March of 2008, and last for 24 months.

Sample Production Bar Chart

Construction Task												
	Apr	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**
Footing, Foundation, Columns												
Floor Slab or Floor Framing												
Sub-flooring												
Wall Framing & Sheathing												
Roof & Ceiling Framing & Sheathing												
Roofing												
Siding & Exterior Trim												
Windows & Exterior Doors												
Plumbing – Rough-In												
Sewage Disposal												
Heating Rough-In												
Electrical Rough-In												
Insulation												
Drywall												
Basement or Porch Floors												
Heating Finish												
Floor Covering												
Interior Carpentry, Trim & Doors												
Cabinets & Countertops												
Interior Painting												
Exterior Painting												
Plumbing – Complete Fixtures												
Electrical – Complete Fixtures												
Finish Hardware												
Gutters & Downspouts												
Grading, Paving, & Landscaping												

12. Personnel Practices and Procedures

1944.410(e)(9)

Personnel Practices and Procedures

A copy of the current personnel policies (or new policies for a new organization) is required to be included with the final application. These procedures must be in compliance with federal, state, and local laws that effect employees. A sample personnel policy follows.

Personnel forms also need to be included in the application. This would include such items as:

- time sheets,
- travel advance requests,
- mileage forms,
- leave requests, and
- employment application, among others.

Sample forms included.

What are personnel policies for?
An organization's personnel policies are a written guide that defines the relationship between the organization and the staff. It spells out what the organization expects from the staff, what the staff can expect from the organization, and what the procedures are for resolving work-related conflicts.

The personnel plan needs to be thorough, specific and legal, as well as acceptable to Rural Development. Most states consider personnel policies as a contract between employer and employee. **BEST PRACTICE -** It is therefore strongly recommended that an attorney versed in labor laws review the policies. Such services may be available *pro bono* to nonprofits.

The Board's personnel committee can be given the responsibility to review the plan. However, the Board of Directors should formally adopt the policies.

How should personnel policies be written?
The purpose of personnel policies is to provide a guide in the personnel practices of an organization and to ensure consistency in personnel decisions. The written policies assist the employer and the employee in understanding what is expected. It is not helpful if the wording confuses the reader. **BEST PRACTICE -** The rules of policy writing are to keep the sentences short, avoid complex terms, drop all unneeded words, and keep it as gender-neutral as possible. Quasi-legal language can rob otherwise well thought out policies of their function as clear and complete guides for decision making and action.

A written policy must be long enough to express management's position on a subject, if it doesn't it is too short. An idea is clearest when it is expressed in its most concise form. A policy too long and too short can be ambiguous and confusing. Management's general position on a subject may require less writing than when specific points must be made and specific distinctions drawn. Each point and distinction must be clear.

How should the policies be used?

First and foremost the purpose of a policy is to provide guidance to the managers. Once a policy is established it should be used and applied consistently. A review of the personnel policies should be one of the cornerstones in an orientation of a new employee.

When should we revise the plan?

The personnel policies need to be reviewed annually or when necessary to reflect new organizational needs and capacities. Similarly, changes in laws, regulations, employee benefits, and other areas may necessitate a revision.

The responsibility for revisions can be given to the Board’s personnel committee or the program staff. But again, approval of the personnel plan rests with the entire Board.

<u>BEST PRACTICE</u> – Does your Personnel Policy include these items?

Outline of a Sample Personnel Policy

I. Introduction

This section of the personnel policy introduces the new employee to the organization, and keeps current employees up-to-date on personnel policies and procedures.

A. Mission Statement of Organization
This may be taken from the articles of incorporation, or a new one may be drafted specifically for this document. The mission statement clearly outlines the mission, goals, and deliverables of the agency.

B. Continuity of Policies -- The Right to Change or Discontinue
Due to changing laws and circumstances, the policies may need to be modified at any time. For maximum flexibility, include a statement informing the employees that the organization reserves the right to change or discontinue policies. When possible, it is recommended to inform employees of these changes before they are made.

C. Acknowledgment of Receipt of Policy (Sign-Off Sheet)
To implement the personnel policies, employees must be aware of them. To ensure that all employees know of the policies, have the employees sign, date, and return a sign-off sheet acknowledging receipt of them. This sheet may then be filed in the employee's personnel file.

II. Hiring Policies

This section provides the employee an understanding of the process used by the organization to recruit, hire, and classify its employees. *WARNING! All states have laws and regulations that affect the recruitment and selection process. Remember to have an attorney versed in labor laws review all sections of the policy before its release.*

A. Equal Employment Opportunity / Americans with Disabilities Act / Affirmative Action Policy

This policy addresses all federal and state laws and regulations dealing with discrimination and/or affirmative action programs that may be applicable to the organization.

B. Nondiscrimination Policy
A nondiscrimination policy is required of all organizations receiving federal funds.

C. Sexual Harassment Policy
This policy is required by some states and is recommended. It sets forth a policy regarding inappropriate conduct and the methods of reporting a complaint.

D. Recruitment
This policy sets forth the process for filling open positions in the organization. It should define the methods of recruitment for bringing in people from the outside. If the organization wants to provide employees with an opportunity for upward or lateral mobility, you'll also need to define methods for encouraging qualified, current employees to apply for open positions.

E. Employment Selection Process

This policy outlines such items as who is responsible for preparing the position requisition, who has the authority to hire, and what the screening process is (for example, receiving and reviewing applications, initial interviews, required pre-employment tests, reference checks, follow-up interviews, licensed driver, bondable, etc.).

F. Employment Classifications

This policy defines "full-time employee" and "part-time employee" (in terms of number of hours worked), "temporary employee", "volunteer employee", as well as any other employee classification required by the organization.

G. Grievance Procedures

This policy outlines the grievance procedures available to employees.

H. Terminations

This policy outlines practices regarding voluntary termination, involuntary termination, and layoffs. These procedures should also specify notification regarding termination.

I. Personnel Files

This policy should indicate what should be kept in the personnel files and who has access to them.

III. Compensation

In this section, list the rewards the organization provides to its employees for their intellectual, emotional, and physical efforts.

A. Equal Pay

Federal and state statutes require equal pay or comparable worth for men and women performing similar services.

B. Job Descriptions

A good job description should define the job to be accomplished. It should include such items as job qualifications, assigned duties, responsibilities, knowledge, coordination, and reporting requirements. All of the job descriptions should be in the same format.

C. Workday and Payday

This policy defines daily office hours and states how often and when the employees are paid (for example, every two weeks, five workdays after submittal of time sheets, etc.).

D. Overtime Compensation / Comp. Time

When establishing a policy for overtime compensation, consider federal and state legislation and regulations governing wage and salary practices.

E. Performance Review and Salary Merit Increases

This policy establishes a performance review process that must be workable, equitable, ongoing, and as objective as possible. It includes such items as performance review criteria, how employee performance will be measured, who will do the appraisal(s) and when, and what feedback the employee will receive.

IV. Benefits

Benefits policy explains the overall benefits of the position and the insurance coverage provided to employees. The following are examples of benefits that may be a part of the organization.

A. Health, Life, and Disability Insurance
B. Annual Leave
C. Holidays
D. Sick or Personal Leave
E. Travel, Mileage, Per Diem, and Reimbursement
F. Training
G. Pension/Retirement Plan
H. Unemployment, Workman's Compensation, Social Security
I. Family Medical Leave Act of 1993
J. Jury Duty
K. Military Leave
L. Bereavement Leave
M. Maternity/Paternity

Other Policies

A. Affirmative Action
B. Substance Abuse
C. Drug and Smoke Free Workplace
D. Internet / Computer Use
E. Confidentiality
F. Voting Leave
G. Education / Tuition Reimbursement
H. Outside Employment
I. Gifts / Honoraria
J. Occupational Safety and Health Act (OSHA)
K. Employee Polygraph Protection Act
L. Code of Ethics
M. Quality Assurance Plan

APPLICATION FOR PROFESSIONAL EMPLOYMENT

PERSONAL INFORMATION

Date:________ Position Applying For:______________________ Minimum Acceptable Salary $_________________

Print Name: Last/First/Middle Social Security Number

____

____

Present Address: Street & Number City State Zip Home Telephone

____

____**Work**___________________________

Own or Have Access to Reliable Transportation: ☐ Yes ☐ No

Date of Last Physical Exam: ______________________________________

GENERAL

In Case of Emergency Notify Relationship Address Telephone

____

____

Are You Presently Employed? ☐ Yes ☐ No

May We Contact Your Present Employer? ☐ Yes ☐ No

List Professional Organizations ____

____

____

____

EDUCATION

Circle Highest Grade Completed:

1 2 3 4 5 6 7 8 9 10 11 12

Received High School Diploma or Equivalent? ☐ Yes ☐ No

Name and Location of College or University, and Major

1. ____

____

2. ____

____

3. ____

____

Dates Attended College Years To & From Degrees Awarded Date Completed

1. ____

____

2. ____

____

3. ____

____

List Chief Undergraduate Subjects: ________________________

____

List Chief Graduate Subjects: ________________________

____

What Other Schooling or Training Do You Have? __________________

____

____

____

WE ARE AN EQUAL OPPORTUNITY EMPLOYER

What Other Special Qualifications Do You Have? __________________

____

____

____

<u>**WORK EXPERIENCE:**</u> (Please list most recent employment first)

1. Name of Organization ________________________________

____

Address ________________________________

City/State______________________________

Job Title ________________________________

From________________ **To** ________________

Ending Salary________________________________

Duties ____

____

____

Reason for Leaving ____

____

2. **Name of Organization** ____

____

Address ____

City/State____

Job Title ____

From___________________________ **To** ________________________________

Ending Salary________________________________

Duties ____

____

____

Reason for Leaving ____

____

3. **Name of Organization** ____

____

Address ____

City/State____

Job Title ____

From___________________________ **To** ________________________________

Ending Salary________________________________

Duties ____

____

____

Reason for Leaving ____

____

<u>REFERENCES</u>

List three persons who are <u>not</u> related to you, and who can furnish information about your job performance. All three should be professional references.

Name	**Business/Home Address**	**Occupation**	**Telephone**
	(Work/Home)		
	(Work/Home)		
	(Work/Home)		

Please Add Comments or Information Which You Feel Would Be Relevant:

____

____

____

____

____

____

Applicant's Signature ______________________________

Date: ____________________ **Interviewed By:** ____________________

ESTIMATED TRAVEL EXPENSES

Name of Traveler ______________________________________ Date ____________

Funding Source ____

Destination ____

Purpose of Trip ____

____

____

Date & Time
of Departure ______________________________

Date & Time
Return ______________________

DATE **EXPENSES** **AMOUNT** **HOW PAID**

Per Diem Per Traveler
1) ____

2) ____

3) ____

4) ____

Air Fare
______Travelers x $________ __________________

Rental Car __________________

Hotel
1) ____

2) ____

Limo/Mileage __________________

Registration Fees __________________

Parking __________________

Other ____

____

TOTAL __________________

______________________________ ________________________
PREPARED BY DATE

______________________________ ________________________
APPROVED BY DATE

TRIP REPORT FORM

Name of Traveler ______________________________ Date __________

Funding Source ______________________________

Destination ______________________________

Lodging Arrangements ______________________________

Method of Travel ______________________________

Purpose of Trip ______________________________

____

____

____

Date & Time
of Departure ______________________ Date & Time
Return ______________________

Narrative of Activities, Accomplishments, and Required Follow-Up:

Use 2nd page if more space is needed and attach appropriate agendas.

Submitted by ______________________________ Date ____/____/____

Approved by ______________________________ Date ____/____/____

REQUEST FOR LEAVE OR SCHEDULE ADJUSTMENT

EMPLOYEE ______________________________ POSITION ________________________

DATE OF REQUEST__________________ DATE OF LEAVE/ADJUSTMENT_______

COMPLETE THE APPROPRIATE REQUEST

REQUEST FOR LEAVE
Use if working less than 7 hours on a day, or
When planning for a vacation or any time off.

AMOUNT OF LEAVE REQUESTED ____________ TYPE OF LEAVE ______

REASON FOR LEAVE: ____

____

APPROPRIATE LEAVE ACCRUED AS OF LEAVE DATE: AL___SL___CT___

EFFECTIVE DATE OF LEAVE __________________ DATE BACK TO WORK ______

OTHER COMMENTS:

ADJUSTMENT IN SCHEDULE
Use if adjusting start, lunch, or end time of normal work hours,
but still working 7 hours that day. Do not use if working
late, and did not change schedule during office hours.

REGULAR WORK HOURS ______AM to ______PM, EFFECTIVE DATE ____________

REASON FOR ADJUSTMENT:____

____

ADJUSTED SCHEDULE	**HOURS WORKED**
________________________	__________________
________________________	__________________
________________________	__________________
TOTAL WORKED	__________________

OTHER COMMENTS:

EMPLOYEE SIGNATURE ____________________________________ DATE ______
SUPERVISOR'S APPROVAL__________________________________ DATE ______
(If supervisor is unavailable, have Executive Director approve)

13. Authorizing Resolution

1944.411(d)

Authorizing Resolution

A resolution must be adopted by the board of directors to the effect that one or more specified persons are authorized to act on your organization’s behalf. Specifically it must state that they are able to sign the Grant Agreement, 1944-I, Exhibit A, form RD 400-4 “Assurance Agreement,” and to work with Rural Development on the self-help program. Provide name(s), address(s) and official position(s) of designated person(s).

14. Assurance Agreement

1944.411(d)
Form RD 400-4

RD 400-4 “Assurance Agreement”

By filling out and signing this form, your organization commits itself to carrying out the provisions of Title VI of the Civil Rights Act of 1964. The Act stipulates that in the operation of your program, you may not discriminate on the basis of race, color, or national origin. It also provides that, if the Government needs to, it may have access to all your records and accounts.

USDA
Form RD 400-4
(Rev. 3-97)

FORM APPROVED
OMB No. 0575-0018

ASSURANCE AGREEMENT

(Under Title VI, Civil Rights Act of 1964)

The ____
(name of recipient)

____
(address)

("Recipient" herein) hereby assures the U. S. Department of Agriculture that Recipient is in compliance with and will continue to comply with Title VI of the Civil Rights Act of 1964 (42 USC 2000d et. seq.), 7 CFR Part 15, and Rural Housing Service, Rural Business-Cooperative Service, Rural Utilities Service, or the Farm Service Agency, (hereafter known as the " Agency") regulations promulgated thereunder, 7 C.F.R. §1901.202. In accordance with that Act and the regulations referred to above, Recipient agrees that in connection with any program or activity for which Recipient receives Federal financial assistance (as such term is defined in 7 C.F.R. §14.2) no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination.

1. Recipient agrees that any transfer of any aided facility, other than personal property, by sale, lease or other conveyance of contract, shall be, and shall be made expressly, subject to the obligations of this agreement and transferee's assumption thereof.
2. Recipient shall:

   (a) Keep such records and submit to the Government such timely, complete, and accurate information as the Government may determine to be necessary to ascertain our/my compliance with this agreement and the regulations.

   (b) Permit access by authorized employees of the Agency or the U.S. Department of Agriculture during normal business hours to such books, records, accounts and other sources of information and its facilities as may be pertinent to ascertaining such compliance.

   (c) Make available to users, participants, beneficiaries and other interested persons such information regarding the provisions of this agreement and the regulations, and in such manner as the Agency or the U.S. Department of Agriculture finds necessary to inform such persons of the protection assured them against discrimination.
3. The obligations of this agreement shall continue:

   (a) As to any real property, including any structure, acquired or improved with the aid of the Federal financial assistance, so long as such real property is used for the purpose for which the Federal financial assistance is made or for another purpose which affords similar services or benefits, or for as long as the Recipient retains ownership or possession of the property, whichever is longer.

   (b) As to any personal property acquired or improved with the aid of the Federal financial assistance, so long as Recipient retains ownership or possession of the property.

   (c) As to any other aided facility or activity, until the last advance of funds under the loan or grant has been made.
4. Upon any breach or violation this agreement the Government may, at its option:

   (a) Terminate or refuse to render or continue financial assistance for the aid of the property, facility, project, service or activity.

   (b) Enforce this agreement by suit for specific performance or by any other available remedy under the laws of the United States or the State in which the breach or violation occurs.

Rights and remedies provided for under this agreement shall be cumulative.

In witness whereof, ____ on this
(name of recipient)

date has caused this agreement to be executed by its duly authorized officers and its seal affixed hereto, or, if a natural person, has hereunto executed this agreement.

____
Recipient

(S E A L)

____
Date

Attest: ______________________________
Title

____
Title

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0570-0018. The time required to complete this information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

15.
Fidelity Bond Coverage

1944.411(e)

Fidelity Bond Coverage

Subpart C of 7 CFR 3015 deals with "Bonding and Insurance." The first step should be to read over Subpart C to determine just how it applies to you. Then review it with a lawyer and accountant. Complete form RD 440-24 "Position Fidelity Schedule Bond Declarations" to demonstrate compliance with 7 CFR 3015 in this regard.

All staff or directors who have authority to make purchases, execute contracts or sign checks for the agency should be covered by this insurance.

BEST PRACTICE - Amount of the coverage should be at least equal to the maximum amount of funds and property that the organization will have in its possession at anytime. This includes funds in bank accounts from all funding sources.

Form RD 440-24
(Rev. 6-02)

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

FORM APPROVED
OMB NO. 0575-0015

POSITION FIDELITY SCHEDULE BOND

Bond No.

PART I - DECLARATIONS

Name and Address of Insured

Name and Address of Surety

Bond Period:

Subject to conditions of section 1 of part IV, this bond is effective on: ____________________, 20 ______
at 12 midnight and will continue until cancelled by either party.

Schedule of Employees and Limit of Liability:

Each of the persons occupying any position named in the following schedule, or added as provided, in section 2 or 3 of part IV is an insured employee. The liability of the surety shall not exceed amount of indemnity stated opposite the position occupied by the employee in the following schedule or added as provided in this bond. The cumulative limit of liability of the surety is limited to the the highest amount of indemnity shown below for any insured employee, whether or not the loss is attributed to more than one employee.

Position	Location	Total Number of Employees in each Position	Amount of Indemnity on each Employee	Premium

The terms and conditions of the following riders are incorporated into this bond:

The Surety and Insured agree to terminate or cancel the following bond(s) or policy(ies) at the time this bond becomes effective:

Notices:
All notices, acceptances, and requests required by the provisions in this policy will be sent to the insured and surety at the addresses shown in this bond. All notices and requests that are required to be sent to the United States of America will be sent to the following address: Rural Development ____.

Signed and sealed on: ____________________, 20 ______

____
Company

By: ______________________________
Name: ______________________________
Title: ______________________________

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

PART II - INSURED AGREEMENT

The Surety, in consideration of the payment of the premium, and subject to the declarations made a part hereof, the General Agreements, Conditions and Limitations, and other terms of this bond, agrees to indemnify the Insured against any loss of money or other property belonging to the Insured or in which the Insured has a pecuniary interest or which is held by the Insured as bailee, trustee, or agent or in any other capacity or whether or not the Insured is liable for the loss thereof which the Insured shall sustain and discover as provided in section 1 of the Conditions and Limitations through any fraudulent or dishonest act or acts committed by any of the Employees occupying any position named in the Declarations (Part I), or added thereto as hereinafter provided, whether acting alone or in collusion with others, not exceeding, however, the amount of indemnity stated opposite the name of such position in said schedule or any applicable additions and subject to the cummulative limit of liability contained in part I.

PART III - GENERAL AGREEMENTS

METHOD OF CLAIM PAYMENT

A. Settlement of any claim shall be made by check or draft payable to the Insured.

LOSS UNDER PRIOR BOND OR POLICY

B. If this bond is substituted for any prior bond or policy of insurance carried by the insured or predecessor in the interest of the insured, the following conditions shall apply:

(1) Surety agrees this bond applies to any recoverable loss cov ered by a prior bond or policy that is discovered as provided in Section 1 of the Conditions and Limitations (Part IV) of this bond;

(2) The indemnity afforded by this General Agreement shall be a part of, and not in addition to, the amount of insurance afforded by this bond;

(3) Such loss would have been covered under this bond had it been in force when the acts or defaults causing such loss were committed; and

(4) Surety's liability will not exceed the lesser of the amount recoverable under either this bond or any prior policy or bond incorporated into this bond.

PART IV - THE FOREGOING INSURING AGREEMENT AND GENERAL AGREEMENTS ARE SUBJECT TO THE FOLLOWING CONDITIONS AND LIMITATIONS:

BOND PERIOD, DISCOVERY

Section 1. This bond shall be effective from the beginning of the date set forth the Declarations, standard time at the address of the Insured, and shall be in force (a) as to any Employee occupying any position named in said schedule during the period from the time set forth in Part I, and (b) as to any Employee occupying any position added to said schedule, as hereinafter provided, during the period from the beginning of the effective date of such addition and in either case continuing as to any such Employee until:

(1) The termination of employment of such Employee;
(2) The termination of cancellation of this bond as to such Employee or Position as provided in section 9; or
(3) The termination or cancellation of this bond as an entirety as hereinafter provided;

whichever shall first happen.

Loss is covered under this bond only if discovered and reported during the bond period or within two years after the bond is cancelled.

Subject to General Agreement (B)(3), this bond applies only to loss sustained by the Insured through fraudulent or dishonest acts committed during the Bond Period by any of the Employees.

ADDITIONS TO SCHEDULE

Section 2. If the Insured shall request the Surety to add to the Schedule the name of any Position not named therein, and the Surety shall elect to do so, the surety shall add the name of the Position to Schedule by written acceptance, setting forth the amount of suretyship and the time from which it will be effective.

NEW POSITION—SAME DESIGNATION

Section 3. If any new Position bearing the same designation as that of any Position named in the Schedule or any acceptance notice shall be created by the Insured, such new Position shall be automatically added to the Schedule as of the effective date of creation thereof and in the amount set opposite the Position so named in the Schedule or the acceptance notice, provided the Insured gives the Surety written notice of the creation of such Position within ninety (90) days after the date of creation thereof.

NEW POSITION—DIFFERENT DESIGNATION

Section 4.If any position is created by the Insured with a different designation from that of any position named in the schedule or prior acceptance notice, such position shall be automatically added to the schedule. Coverage in the amount of Ten Thousand Dollars ($10,000) is effective upon creation of the new position provided the Insured gives the Surety written notice of the creation of the new position within 90 days after its creation. Surety's liability hereunder, if any, by reason of such notice shall terminate at the expiration of ninety (90) days from the date of creation thereof, unless prior thereto the Surety shall have added such position to said schedule and mailed Insured a revised schedule of employees and limit of liability.

NOTICE AND PROOF OF LOSS

Section 5. Within a reasonable time after discovery by the Insured of any loss hereunder, the Insured shall give the Surety written notice thereof, and within 180 days, or any extension thereof as may be requested by the Insured and agreed to, in writing, by the Surety, after such discovery shall file with the Surety affirmative proof of loss itemized and sworn to on forms furnished by the Surety.

RECOVERIES

Section 6. If the Insured shall sustain any loss covered by this bond which exceeds the amount of indemnity provided by this bond, the Insured shall be entitled to all recoveries (except from suretyship, insurance, reinsurance, security, or indemnity taken by or for the benefit of the Surety) by whomsoever made, on account of such loss under this bond until fully reimbursed, less the actual cost of effecting the same; and any remainder shall be applied to the reimbursement of the Surety.

LIMIT OF LIABILITY

Section 7. Regardless of the number of years this bond shall continue in force and the number of premiums which shall be payable or paid, the Surety shall not be liable under this bond on account of any Employee or their designated alternate for a larger amount, in the aggregate, than the amount stated opposite the position named in said Schedule occupied by such Employee or which is added thereto.

LIMIT OF LIABILITY UNDER THIS BOND AND PRIOR INSURANCE

Section 8. With respect to loss caused by any Employee which occurs partly during Bond Period and partly during the period of other bonds or policies issued by the Surety to the Insured or to any predecessor in interest of the Insured and terminated or canceled or allowed to expire and in which the period for discovery has not expired at the time any such loss thereunder is discovered, the total liability of the Surety under this bond and under such other bonds or policies shall not exceed, in the aggregate, the amount of indemnity stated opposite the Position named in the Schedule occupied by such Employee or added thereto, or the amount available to the Insured under such other bonds or policies, as limited by the terms and conditions thereof, for any such loss, if the latter amount be the larger.

CANCELLATION

Section 9. This bond shall be deemed canceled as to future acts of any Employee:

(a) Upon discovery of any fraudulent or dishonest act upon the part of such Employee with respect to the Insured. The Insured must immediately report such knowledge to the Surety;

(b) Upon the resignation, or removal of such Employee; or

(c) Or as provided in section 10.

Section 10. This bond shall be cancelled as of midnight of the date specified in a written notice to the Surety by the insured, with a copy to the United States of America. Notice must be delivered not less than 30 days in advance by either mail or personal service with written receipt of delivery.

LEGAL PROCEEDINGS

Section 11. No demand, suit, action, or proceeding of any kind to recover an account of loss under this bond shall be made or brought after the expiration of three (3) years from the cancellation of this bond as to the Employee or Employees causing such loss, or the cancellation of this bond as an entirety, whichever shall first happen, provided, however, that if such limitation for making a demand, bringing suit, action, or proceeding is prohibited or made void by any law controlling the construction of this bond, such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

In witness whereof, the Surety has caused this bond to executed on the Declaration page.

16.
Evidence of Interest Bearing Checking Account and a Statement of Interest Repayment

1944.411(g)

Evidence of Interest Bearing Checking Account and Repayment of Interest.

Establish a two-signature interest-bearing checking account (preferably at a minority financial institution), and submit a copy of the account agreement as part of the application.

Prepare a signed statement saying that the organization is aware of the requirement of repayment of interest; and that the organization will return, on a quarterly basis, any interest earned in excess of $250 per year. If the grantee is a public body, interest in excess of $100 must be repaid.

17. Group Agreement Including Exhibit B-2 of 1944-I

1944.411(h)

Membership Agreement

Also for the first group, a copy of their Membership Agreement is required. This needs to include Exhibit B-2 of 1944-I. Membership Agreements are documents signed by each self-help participants and designated volunteers, agreeing to participate fully in the program and follow all of the policies and guidelines set out by your organization and Rural Development. A membership agreement needs to be developed for your own organization, keeping in mind that it may differ from group to group to reflect different circumstances.

BEST PRACTICE - Each member of the group must read the document or have the document read to him/her, thoroughly understand it, and sign it. The group members must see the membership agreement as *binding;* that is, the rules and policies set forth will be enforced.

The membership agreement might cover such items as: who qualifies as a member in the group, group officers and committees, voting rights, policies of the self-help organization, tasks the participants are expected to perform, time commitment (How much time is required to participate each week? For the entire project? For construction? For meetings?) An agency may want to include guidelines for participants regarding appropriate dress on site, appropriate / acceptable "language", cell phone usage and use of medications. Grantees may also want to have the participants complete an emergency contact sheet to keep on file in case of emergency.

BEST PRACTICE - The enforcement of the membership agreement is key to the success of each group. For this reason, the self-help staff must make sure that small problems do not lead to large ones.

In enforcing the membership agreement, the self-help staff must not show any favoritism, regardless of the temptation or provocation. The staff must be above petty squabbles, favoritism, and inconsistent enforcement of the membership agreement.

A sample agreement follows.

BEST PRACTICE – NCALL recommends using this Agreement.

BUILDING GROUP MEMBERSHIP AND LABOR AGREEMENT

BUILDING GROUP

This agreement is entered into on the______ day of _________________, 20   , between the members of building group ________, commonly known as ____________________________

(group #) (Name of Building Group)

and hereinafter referred to as the "BUILDING GROUP MEMBERS" and _________________

____

(Name of Self-Help Grant Recipient)

hereinafter referred to as "SELF-HELP GRANT RECIPIENT." The principal location of building group ___________ is ____

(group #) (Address, City/Town/County, State)

The SELF-HELP GRANT RECIPIENT is an eligible entity, which provides technical assistance and management services for building group members under the mutual Self-Help Housing Program.

The SELF-HELP GRANT RECIPIENT is not acting as a "contractor" on behalf of BUILDING GROUP MEMBERS, but as a Rural Development grant manager and technical advisor. BUILDING GROUP MEMBERS, as homeowners and builders, are acting as their own general contractor. The BUILDING GROUP MEMBERS agree to hold the SELF-HELP GRANT RECIPIENT harmless for any purchases, even though such purchases may have been made by the SELF-HELP GRANT RECIPIENT on behalf of the BUILDING GROUP MEMBERS.

The purpose of the Agreement is to foster the smooth accomplishment of the BUILDING GROUP MEMBERS' goal of construction of houses. The BUILDING GROUP MEMBERS understand and agree with each other and with the SELF-HELP GRANT RECIPIENT that this Agreement will control the progress of the project. Violation of any portion of this Agreement may result in implementation of Section VII of this Agreement. **Rural Development is not a party to this agreement.**

I. COMMITMENT

The SELF-HELP GRANT RECIPIENT agrees to provide technical assistance to the undersigned BUILDING GROUP MEMBERS as follows:

A. Pre-Construction Services

1. Locate and obtain control of suitable Rural Development building sites.
2. Recruit and determine preliminary eligibility of potential group members.
3. Prepare all loan application documents for submission to Rural Development and work with Rural Development on behalf of the applicants.
4. Assist the officers of the group in the fulfillment of their functions.
5. Arrange and present a series of informational meetings covering homeownership and related subjects. This series is normally referred to as the "Pre-Construction" meetings.

B. Construction Services

1. Provide house plans, which have been developed or acquired by SELF-HELP GRANT RECIPIENT and approved by Rural Development.
2. Direct, control, and implement construction on all of the members' houses.
3. Teach tasks to the members as necessary to build the houses according to the plans and specifications, within the allowed budgets.
4. To initiate contracts in the name of the members for materials and services to be purchased in accordance with the plans and specifications.
5. Provide bookkeeping services to maintain individual group member accounts, and to pay bills on behalf of group members from these accounts.
6. Lease power tools and special equipment as required on the job. (See Section VIII).
7. Present to the building group for approval, bids from outside contractors and suppliers to provide the materials and contracted work necessary to build the homes according to plans and specifications. The selection of a supplier or contractor should be made only on the basis of quality, experience, completeness of bid, price, and past performance. (See Section VIII).

II. GROUP MEMBER COMMITMENT

The undersigned BUILDING GROUP MEMBERS agree to the following:

A. To build their own homes in the SELF-HELP GRANT RECIPIENT'S construction program, using Rural Development and/or alternative financing.

B. To use their labor to the extent required and to pay for all materials and contracted labor and services used in the construction of their home, according to the directions of the SELF-HELP GRANT RECIPIENT, including costs associated with lot development and costs shared with other participants.

C. To purchase materials and contracted labor on a group basis whereby the building group utilized the same suppliers and contractors.

D. To use their best efforts to meet construction goals and objectives established by the group and the SELF-HELP GRANT RECIPIENT in performance of this agreement.

E. To work at all times in a safe manner, and to follow the Construction Supervisor's instructions in this regard.

F. To work on any house in their group and at any job as required by the Construction Supervisor.

G. To cooperate with other group members and the SELF-HELP GRANT RECIPIENT in the performance of the requirements as set forth in this agreement, and to conduct themselves at all times in a manner that will not disrupt or interrupt other group members in their performance of assigned tasks. It is agreed the Construction Supervisor has the authority to require removal from the job site of any individual whom the supervisor deems to be a disruptive influence to work requirements.

H. To follow the plans, budgets, blueprints, specifications and instructions of _______the SELF-HELP GRANT RECIPIENT and Rural Development in construction of their houses. (Change orders will only be allowed in accordance with Section XI following.)

I. To allow the SELF-HELP GRANT RECIPIENT to solicit bids and not to negotiate with or direct the work, or otherwise interfere with subcontractors and suppliers, unless authorized to do so by the Construction Supervisor.

J. To provide the SELF-HELP GRANT RECIPIENT written schedules of the hours they are available to work and to work the hours as assigned by the Construction Supervisor.

K. To review requests for payment as submitted by the SELF-HELP GRANT RECIPIENT and to sign checks for payment, acknowledging that if legitimate bills are not paid, property is subject to liens in accordance with state law. (See Section III, A.10. following.)

L. Not to move into the house that will become theirs or move personal property into that house until all the homes in the group are finalized by Rural Development and/or other appropriate officials.

M. To purchase (Builder's Risk) Homeowners Insurance as required by Rural Development, to be in force beginning with the date of loan closing. (See Section XIII following)

N. To attend all scheduled meetings as directed by the SELF-HELP GRANT RECIPIENT. (See Section V.D.4. following.)

O. To work as directed by the Construction Supervisor.

P. To attend all pre-construction training meetings offered by the SELF-HELP GRANT RECIPIENT.

Q. To close their loan account within (30) days of final inspection by Rural Development, unless otherwise extended by Rural Development.

R. To meet all other requirements as set forth in this agreement.

III. CONSTRUCTION RESPONSIBILITIES

A. Labor Exchange Commitment

The building group members agree to exchange work labor in a cooperative manner, and to work jointly on all members' houses.

1. Each household will be required to put in a minimum of _____ productive hours per week, or as many as necessary, as directed by the Construction Supervisor, to

complete construction of the homes on schedule. Equal time will be allowed for labor performed by members regardless of the approved type of work involved. It is further agreed that only the work hours of person's ______ years and older may count towards the _____ hours. We require that any delinquent hours be made up the week following their accrual unless prior arrangements have been made with the Construction Supervisor.

Accumulation of hours – Families who accumulate more than the _____ hours required per week, may accumulate limited hours in a "family reserve." The accumulated hours may not exceed _____ hours per week above and beyond the _____ required hours. Families are only allowed to draw hours from the "family reserve" if they first clear it with the Construction Supervisor. The decision will be made on the basis of the nature of the request and the progress of the project. Additionally, families may donate any excess hours to other participating families with the approval of the construction supervisor.

2. Labor hours that count towards the minimum _____ hours per week requirement per household is labor that contributes to the construction of houses in the group. Labor hours do not include lunch breaks, coffee breaks, travel time, childcare for your own family, time away from the job site not on construction business, or time spent involved in non-productive conversation with others. One hour of credit per household will be allowed for each of the following: selection of finish flooring and counter tops, lighting fixtures, and landscaping. Work from non-group members must be scheduled by the Construction Supervisor prior to performance of the work. Any vacation or time off from construction must be pre-approved by the group and the Construction Supervisor. No previously earned labor hours in excess of the _____ hours per week requirement can be used towards the current _____ hours per week requirement, without prior approval of the BUILDING GROUP MEMBERS and the SELF-HELP GRANT RECIPIENT.

3. Volunteer hours – Volunteers who perform work at the site, will work as scheduled by the Construction Supervisor. Volunteers will work on all houses in the group.
4. Labor that must be performed by building group members is listed as "Homeowner Labor" on the following chart, amounting to at least 65% of the total work tasks. Group members must perform a majority of the work for each task listed, in order to receive the percentage credit shown.

CONSTRUCTION LABOR DIVISION – SELF-HELP HOUSING

	Subcontract	**Homeowner**
	Labor	Labor
1. Excavation		
2. Footings, Foundations, Columns		
3. Floor Slab or Framing		
4. Sub-flooring		
5. Wall Framing, Sheathing		
6. Roof & Ceiling Framing, Sheathing		
7. Roofing		
8. Siding, Exterior Trim, Porches		
9. Windows and Exterior Doors		
10. Plumbing Rough-In		
11. Sewage Disposal		
12. Heating Rough-In		
13. Electrical Rough-In		
14. Insulation		
15. Dry Wall		
16. Basement or Porch Floor, Steps		
17. Heating Finish		
18. Flooring		
19. Interior Carpentry, Trim, Doors		
20. Cabinets and Countertops		
21. Interior Painting		
22. Exterior Painting		
23. Plumbing Finish		
24. Electrical Finish		
25. Finish Hardware		
26. Gutters and Downspouts		
27. Grading, Paving, Landscaping		
Totals		

5. If a household becomes _____ hours behind during any three-week period or for the total minimum number of hours required at that period of construction, without approval of the Construction Supervisor, no additional materials will be ordered for their house. At this time, the member is required to meet with the Construction Manager and the Group Coordinator for approval of a written plan submitted by the member to bring labor hours current. When labor hours are brought current, the SELF-HELP GRANT RECIPIENT will again be authorized to purchase materials for their house.

If a household becomes _____ hours behind the total minimum number of labor hours, all work and associated activities on their house will stop. At this time the member is required to meet with the SELF-HELP GRANT RECIPIENT'S Housing Program Director and the Group Coordinator, with a written plan to bring labor hours current. Work may again start on their house when the household is no more than _____ hours delinquent, although no additional material is to be ordered for their house. When labor hours are brought current, the SELF-HELP GRANT RECIPIENT will be authorized again to purchase material.

If a household becomes _____ hours behind the required number of labor hours, expulsion from the group may occur, in accordance with Section VII of this agreement.

6. The Construction Supervisor will decide what work is to be completed by the members each day. The members agree to perform the work assignments made by the supervisor. Any member who performs work not assigned by the supervisor may not receive credit for labor hours, at the discretion of the Construction Supervisor. The Construction Supervisor may ask a member who refuses to perform an assigned task to leave the job site. Continued refusal may result in implementation of Section VII of this agreement. A member may not work alone unless the task can safely be done alone and he/she has the consent of the Construction Supervisor.

Any work by a member devoted exclusively toward that member's own house will not be credited toward the weekly work requirement, unless such work has been assigned or approved by the Construction Supervisor. (Mutual self-help of an organized work team is stressed, not individual home building.)

7. If the household becomes verifiably disabled after construction starts, the group agrees to continue to help the participant construct its house, subject to the following provisions:

a. Disability claims must be verified in writing by a licensed M.D., stating specifically those construction tasks the claimant cannot perform. Tasks not prohibited in writing by the M.D. will be expected to be performed by the claimant, as assigned by the Construction Supervisor. Such tasks may not have been required prior to the claimed disability, and time worked on these tasks may or may not be included as contributing in their entirety to the required minimum hours to be worked each week by each member household subject to the discretion of the Construction Supervisor.

b. The household claiming to be incapacitated must provide the Construction Supervisor a written plan stating the name and the hours to be worked by those individuals who contribute the required make-up hours, to assure the household maintains its required work responsibility. All individuals thus named must sign an agreement to work the specified hours. The plan must be approved by a majority vote of the group members. The substitute labor must also be approved by the SELF-HELP GRANT RECIPIENT and the Rural Development State Director.

8. Action to be taken by the group following death of a head-of-household or spouse is to be determined by majority agreement at a meeting of the group, and is to include plans for completion of the group member's house. The plan is subject to approval by the SELF-HELP GRANT RECIPIENT prior to enactment.

9. Each household will complete a "Weekly Work Availability" form in which each household will plan their weekly minimum __ hour work schedule at the construction site. Completed schedules will be given to the Construction Supervisor one week or more in advance and all schedules will be posted at the construction site. The Construction Supervisor shall specify which of the available hours are required to meet the construction goals for the week. The intent is to have a well-organized flow of work utilizing the best-varied abilities of the group members in order to assure proper job, contractor and material supplier scheduling. Group members will record their work hours and tasks daily at the job site, under the supervision of the Construction Supervisor and timekeeper, who will maintain records of such hours and jobs. Any conflict over work schedules or hours worked will be resolved by the Construction Supervisor.
10. Each member agrees individually, and all members agree collectively as a group, to abide by the purchase order system for ordering materials. The only persons authorized to order materials shall be designated by the SELF-HELP GRANT RECIPIENT.
11. If a household becomes _____ days delinquent in approving construction invoices, all work on the house will stop. No additional materials will be ordered until outstanding invoices are paid and the SELF-HELP GRANT RECIPIENT has assurance that delinquencies will not reoccur.
12. Each member agrees individually, and all members agree collectively as a group, to work on each other's houses together as a work team, as assigned by the Construction Supervisor. Group members may perform extra work in addition to that required by the Construction Supervisor, and will receive credit for this work, so long as it is for the benefit of the entire group, and is assigned by the Construction Supervisor.
13. If for any reason, families are not able to perform the required _____ hours of work, because of snow, storm, tornado, flood, or any other "acts of God,"

penalties listed in Section III, part A, number 4 will not be automatically enforced. Rather the participants will work with the Construction Supervisor to find a solution that is mutually acceptable.

IV. ELECTION OF OFFICERS

In order to function as a group, the following procedures will be followed:

A. Officers shall be elected by the group for the life of the project and their duties shall include the following:
   1. Group Facilitator – Shall chair all group meetings, and act as the main representative of the group.
   2. Assistant Group Facilitator – Shall act for the Group Facilitator in his/her absence.
   3. Timekeeper – Shall keep a record of all group members' timesheets and shall be responsible for submitting timesheets to the SELF-HELP GRANT RECIPIENT'S office on a weekly basis.

   An additional and very important responsibility would be that of "material checker," to accept and check all supplies delivered to the group. This may be an elected position, or the duty of each member present.

B. Officers may be recalled or replaced by a majority vote of the households.

V. GENERAL RULES OF THE GROUP

A. In consideration of safety issues, children under the age of 16 shall not be allowed on the construction site without prior approval of the Construction Supervisor for each individual occurrence.

B. Each member agrees that no member of the group may hire or pay anyone to do their work for them.

C. Hours shall be recorded by the timekeeper after approval of the Construction Supervisor. Any conflict over number of hours worked will be resolved by the Construction Supervisor and/or Group Coordinator.

D. The building group shall have a group meeting at least once every _________, as called by the Construction Supervisor, the majority of the group members, or the Group Coordinator. At least one the SELF-HELP GRANT RECIPIENT'S staff member will attend each meeting, and this may be the Construction Supervisor. Time spent at the group meeting will count towards the required labor hours only if required by the SELF-HELP GRANT RECIPIENT. Group membership meetings may also be called by the Program Director. Notice of any meetings shall be given to one of each household at least _____ hours in advance.

1. One vote per house in construction is allowed and each household shall cast one vote. The head-of-household or co-applicant may cast the vote.
2. A quorum consists of at least one vote per household at meetings in which half or more of the households are represented. When a quorum is present, the majority vote shall carry all motions, except as stated differently in the Agreement.
3. Each household has the responsibility of having at least one voting member of the household attending each group meeting, and any member household that misses more than two meetings may be subject to disciplinary action by the group, up to and including termination of the households voting rights.
4. The meeting location shall be assumed to be the job building site and all relevant conditions of this agreement shall apply at these meetings.

E. No one will be allowed on the building site while under the influence of alcohol or illegal drugs, nor will the drinking of alcoholic beverages or the use of illegal drugs at the job site be tolerated. Any incident involving alcohol or illegal drugs on the job is cause for automatic expulsion of the participant by the Program Director and termination of this agreement.

F. Each member agrees that they will be responsible for all materials, supplies, and other items purchased for their house regardless of the location of such materials, supplies or other items. Any theft, loss, breakage or damage is the responsibility of the member and replacement or repair will be made out of their loan funds.

G. The group members and families shall pay for all materials and contracted work purchased for benefit of their homes, including extra materials or overruns. The Construction Supervisor will allocate all materials, equipment, purchases, and contracted work between the households and this allocation shall be binding on each household.

VI. GRIEVANCE PROCEDURE

A. Any claim, dispute or question raised by any group member or BUILDING GROUP MEMBERS shall be first brought to the attention of the Group Facilitator, discussed in a group meeting and settled then.

B. If no resolution can be accomplished through the group meeting, the following grievance procedure shall be followed.

1. Before Construction

The grievance should be brought to the attention of the Group Coordinator assigned to the group. If no resolution can be made, the Program Director must receive the grievance in writing. If a resolution is again not reached, then the written grievance shall be referred to the SELF-HELP GRANT RECIPIENT’S Executive Director. If a resolution is again not reached, then the written grievance shall be referred to the SELF-HELP GRANT RECIPIENT’S Board of Directors for final resolution.

2. During Construction

The grievance should be brought to the attention of the Construction Supervisor. If a resolution does not follow then the grievance shall be referred to the SELF-HELP GRANT RECIPIENT’S Program Director. If a resolution is not reached again, then the written grievance shall be referred to the SELF-HELP GRANT RECIPIENT’S Executive Director. If a resolution is again not reached, then the written grievance shall be referred to the SELF-HELP GRANT RECIPIENT’S Board of Directors for the final resolution.

C. If a claim is brought prior to completion of construction and occupancy of the residence by the group member(s), the foregoing shall be conditions precedent to arbitration. In any event, any claim, dispute, or question arising between the SELF-HELP GRANT RECIPIENT and the parties shall be subject to arbitration at the choice of any party. In the event either party elects arbitration, it shall serve a notice on the other party or parties, stating their grievance and desire to arbitrate, and the parties shall proceed in accordance with state law. A decision of the arbitrator shall be a condition precedent to the right of any other legal action. The cost of the arbitrator shall be born equally by all parties to the dispute.

D. The SELF-HELP GRANT RECIPIENT has agreed to provide technical assistance to the group members in construction of their housing. The SELF-HELP GRANT RECIPIENT does not charge group members for this service, and in return the group members agree that the SELF-HELP GRANT RECIPIENT shall have no liability for acts and omissions done in good faith. The SELF-HELP GRANT RECIPIENT shall have no liability of consequential or delay damages resulting from any act, omission, breach of contract, or negligence.

VII. TERMINATION PROCEDURE

Violations of the terms of this agreement will result in all expenditures for materials/labor being immediately halted until a satisfactory resolution is reached. If a satisfactory resolution cannot be reached or the same problem continues, expulsion from the group will be determined by the Grantee. Expulsion results in the loss of any rights under the terms of this agreement and the loss of building privileges under the SELF-HELP GRANT RECIPIENT’S self-help program. After expulsion, the member's rights concerning their house will be determined by Rural Development. In the event a group member, family or group members fail to meet the requirements of this agreement, the remedies afforded the BUILDING GROUP MEMBERS and Rural Development in this agreement are cumulative, and in addition to any other remedies afforded by law or otherwise.

VIII. CONTRACTS AND OBLIGATIONS

The group members and spouses are jointly and severally bound by the contracts they enter into, and agree to the terms thereof. The group members may not elect to exclude themselves from such contracts, but are irrevocably committed to them.

IX. SUPERVISION OF ACCOUNTS AND PAYMENT OBLIGATIONS

The undersigned families and group members agree to place their Rural Development loan proceeds and other funds into a designated bank account which is managed by the (SELF-HELP GRANT RECIPIENT). (The Self-Help Borrowers) are authorized to approve of all labor, materials, contracts, sub-contracts, liens, expenses, taxes, and other costs incurred for building their house. Only ___(SELF-HELP GRANT RECIPIENT)___________________ may request draws on the group member's Rural Development loan account and prepare checks for payment of all costs and charges attributable to construction of the participant's home. These payments are to be authorized by the designated participants and Rural Development with supporting documentation provided by ___________(SELF-HELP GRANT RECIPIENT) ______. The group members and families agree to execute and deliver to (SELF-HELP GRANT RECIPIENT)___________________any other document necessary to implement this agreement.

X. LEVY OF DUES

The group may agree by a majority vote to levy dues upon its members. Further, the group has sole custody and responsibility for any money, which it may earn or collect from its members for purposes of the group. These funds may be disbursed in any manner as determined by a majority vote of the group. The SELF-HELP GRANT RECIPIENT will not be accountable in any way for these funds.

XI. SUCCESSORS AND ASSIGNEES, JOINT AND SEVERAL LIABILITIES

The parties bind themselves, their spouses, heirs, successors, assignees, partners, and representatives to this agreement. The undersigned group members agree that this agreement is jointly and severally binding upon them, and that any liabilities and obligation, rights and duties created hereunder shall be joint and several to each signatory.

The undersigned families and group members agree to build according to blueprints and specifications provided by SELF-HELP GRANT RECIPIENT and approved by Rural Development. No change will be made in these plans without prior approval of Rural Development. Change order approval by participant or group members requesting the same hereby holds harmless its agents, employees and officers for any liability resulting there from.

XII. INSURANCE

Each group member or participant agrees to purchase Builders Risk Insurance as required by Rural Development and other lending institutions to be in force from the date of loan closing. This policy shall include sufficient individual liability coverage in an amount not less than _______. However, the SELF-HELP GRANT RECIPIENT may require a higher amount if it determines that this is necessary. The SELF-HELP GRANT RECIPIENT shall be given proof (binder) of insurance.

XII. ACCEPTANCE OF HOUSING/RELEASE

At the time of completion of the participant or group member's home, the head-of-household must inspect the home and at that time make any claim against SELF-HELP GRANT RECIPIENT or waive the right to do so by signing the Release and Hold Harmless Agreement attached to this agreement. (Addendum #3) SELF-HELP GRANT RECIPIENT will not approve the closing of an account prior to receiving the release. A participant or group member may not occupy their home prior to inspection and accepting the home, and delivering the executed Release and Hold Harmless Agreement to SELF-

HELP GRANT RECIPIENT. It is agreed that any claims against SELF-HELP GRANT RECIPIENT will be made at this time, or will be forever barred.

XIV. TERMINATION OF AGREEMENT

This agreement shall be terminated with regard to each member and SELF-HELP GRANT RECIPIENT by the following conditions:

A. After all families' houses have been completed, received final inspection and approval by Rural Development, all bills and credits have been settled, and the supervised bank accounts are closed.

B. By signing below, I agree to all conditions of this Membership and Labor Agreement. I also declare that no statements, representatives, or any express or implied warranties of any nature whatsoever have been made to me by the SELF-HELP GRANT RECIPIENT. I further acknowledge that the SELF-HELP GRANT RECIPIENT agrees only to provide technical assistance and construction supervision set forth in this agreement, and shall have no liability for any damage, error or construction defect. In the event that damage or defect must be remedied, the group members agree to repair the same using their own "self-help" and/or subcontractor labor, and to pay for materials and/or labor as required. I also acknowledge receipt of a copy of said Agreement for my personal files.

GROUP MEMBERS

Date ____________________ Borrower ____

Date ____________________ Co-Borrower____

By signing below, ____________________________________ agrees to all conditions of this
(SELF-HELP GRANT RECIPIENT)

Building Group Membership and Labor Agreement. ________________________________ also
(SELF-HELP GRANT RECIPIENT)

declares that no statements, representations or any express or implied warranties of any nature whatsoever have been made to this building group.

Date ____________________ ____
Construction Supervisor

Date ____________________ ____
Program Director

RELEASE AND HOLD HARMLESS AGREEMENT

I have inspected or had an opportunity to inspect my house and property, legally described as

Lot _________, ____.
(Address, City/Town/County, State)

I hereby release ____, its agents and
(SELF-HELP GRANT RECIPIENT)

employees, of any claim or liability with respect to the construction of said residence, whether known, or arising in the future.

I agree to indemnify and hold ____
(SELF-HELP GRANT RECIPIENT)

and its agents and employees harmless for any claim made against them by a third party with respect to construction of said residence.

Dated this _________ day of __________________________________ 20_________.

By: ____

By: ____

The above information was explained to us and I/we understand and accept these conditions.

NAME DATE

NAME DATE

NAME DATE

NAME DATE

NAME DATE

NAME DATE

NAME DATE

RECOMMENDED TOOLS

(One Set per Household)

25' to 30' – 1" measuring tape

Speed square

Hammer – 16 or 20 oz., straight or curved claw

Nail set

Chalk line and chalk

Nail apron/Tool bag

Work gloves

Safety glasses & earplugs

Flat pry bar

Utility knife with extra blades

Carpenter's pencils

Screwdrivers – flat and Phillips head

Shovel – round point

Construction shoes (good quality)

Cat’s-paw (nail puller)

18. Request for Obligation of Funds

From RD 1940-1 1944.412

RD 1940-1 “Request for Obligation of Funds”

Complete this form and submit it with the final application. At item 45, on the back, have the authorized representative sign and date two copies of the form.

USDA
Form RD 1940-1
(Rev. 01-05)

REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED ( )
Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.

1. CASE NUMBER
ST CO BORROWER ID
0 0

LOAN NUMBER

FISCAL YEAR

2. BORROWER NAME

3. NUMBER NAME FIELDS
(1, 2, or 3 from Item 2)

4. STATE NAME

5. COUNTY NAME

GENERAL BORROWER/LOAN INFORMATION

6. RACE/ETHNIC CLASSIFICATION
1 - WHITE
2 - BLACK
3 - AI/AN
4 - HISPANIC
5 - A/PI

7. TYPE OF APPLICANT
1 - INDIVIDUAL
2 - PARTNERSHIP
3 - CORPORATION
4-PUBLIC BODY
5-ASSOC. OF FARMERS
6-ORG.. OF FARMERS
7-NONPROFIT-SECULAR
8-NONPROFIT-FAITH BASED
9- OTHER

8. COLLATERAL CODE
1 - REAL ESTATE SECURED
2 - REAL ESTATE AND CHATTEL
3 - NOTE ONLY OR CHATTEL ONLY
4 - MACHINERY ONLY
5 - LIVESTOCK ONLY
6 - CROPS ONLY
7 - SECURED BY BONDS

9. EMPLOYEE RELATIONSHIP CODE
1 - EMPLOYEE
2 - MEMBER OF FAMILY
3 - CLOSE RELATIVE
4 - ASSOC.

10. SEX CODE
1 - MALE
2 - FEMALE
3 - FAMILY UNIT
4 - ORGAN. MALE OWNED
5 - ORGAN. FEMALE OWNED
6 - PUBLIC BODY

11. MARITAL STATUS
1 - MARRIED
2 - SEPARATED
3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)

12. VETERAN CODE
1 - YES
2 - NO

13. CREDIT REPORT
1 - YES
2 - NO

14. DIRECT PAYMENT
(See FMI)

15. TYPE OF PAYMENT
1 -MONTHLY
2 - ANNUALLY
3 - SEMI-ANNUALLY
4 - QUARTERLY

16. FEE INSPECTION
1 -YES
2 - NO

17. COMMUNITY SIZE
1 - 10,000 OR LESS
2 - OVER 10,000
(FOR SFH AND HPG ONLY)

18. USE OF FUNDS CODE
(See FMI)

COMPLETE FOR OBLIGATION OF FUNDS

19. TYPE OF ASSISTANCE
(See FMI)

20. PURPOSE CODE

21. SOURCE OF FUNDS
2

22. TYPE OF ACTION
1 - OBLIGATION ONLY
2 - OBLIGATION/CHECK REQUEST
3 - CORRECTION OF OBLIGATION

23. TYPE OF SUBMISSION
1 - INITAL
2 - SUBSEQUENT

24. AMOUNT OF LOAN
0 0 0

25. AMOUNT OF GRANT
0 0

26. AMOUNT OF IMMEDIATE ADVANCE
0 0 0

27. DATE OF APPROVAL
MO DA YR

28. INTEREST RATE

29. REPAYMENT TERMS

COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS

30. PROFIT TYPE
1 - FULL PROFIT
2 - LIMITED PROFIT
3 - NONPROFIT

COMPLETE FOR EM LOANS ONLY

31. DISASTER DESIGNATION NUMBER
(See FMI)

COMPLETE FOR CREDIT SALE-ASSUMPTION

32. TYPE OF SALE
1 - CREDIT SALE ONLY
2. ASSUMPTION ONLY
3 - CREDIT SALE WITH SUBSEQUENT LOAN
4 - ASSUMPTION WITH SUBSEQUENT LOAN

FINANCE OFFICE USE ONLY

33. OBLIGATION DATE
MO DA YR

COMPLETE FOR FP LOANS ONLY

34. BEGINNING FARMER/RANCHER
(See FMI)

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

Position 2

ORIGINAL - Borrower's Case Folder COPY 1 - Finance Office COPY 2 - Applicant/Lender COPY 3 - State Office

CERTIFICATION APPROVAL

For All Farmers Programs — EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. ___________ YES _______ NO

WARNING: **Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both.**

Date ______________________________ , 20 ___________ ____

(Signature of Applicant)

Date ______________________________ , 20 ___________ ____

(Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

____

(Signature of Approving Official)

Date Approved: ______________________________ Title: ____

38. TO THE APPLICANT: As of this date _____________________ , this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

19.
Self-Help Technical Assistance Grant Agreement

Exhibit A of 1944-I
1944.412

Self-Help Technical Assistance Grant Agreement

Submit a completed / executed Grant Agreement, Exhibit A of 19944-I. Leave the date and amount blank.

SELF-HELP TECHNICAL ASSISTANCE GRANT AGREEMENT

THIS GRANT AGREEMENT dated _________________, 20___, is between _________
____
a nonprofit corporation ("Grantee"), organized and operating under
____
(authorizing State statute)
and the United States of America acting through Rural Development, Department of Agriculture.

In consideration of financial assistance in the amount of $______________ (called "Grant Funds") to be made available by Rural Development to Grantee under Section 523 (b) (1)(A) of the Housing Act of 1949 to be used in (specify area to be served) ___________________________________ for the purpose of providing a program of technical and supervisory assistance which will aid low-income families in carrying out mutual self-help housing efforts. Grantee will provide such a program in accordance with the terms of this Agreement and Rural Development regulations.

Definitions:

"Date of Completion" means the date when all work under a grant is completed or the date in the TA Grant Agreement, or any supplement or amendment thereto, on which Federal assistance ends.

"Disallowed costs" are those charges to a grant which the Rural Development determines cannot be authorized.

"Grant Closeout" is the process by which the grant operation is concluded at the expiration of the grant period or following a decision to terminate the grant.

"Termination" of a grant means the cancellation of Federal assistance, in whole or in part, under a grant at any time prior to the date of completion.

Terms of agreement:

(a) This Agreement shall terminate ______________ years from this date unless extended or sooner terminated under paragraphs (e) and (f) of this Agreement.

(b) Grantee shall carry out the self-help housing activity described in the application docket which is attached to and made a part of this Agreement. Grantee will be bound by the conditions set forth in the docket, 7 CFR Part 1944, Subpart I, and the further conditions set forth in this Agreement. If any of the conditions in the docket are inconsistent with those in the Agreement or Subpart I of Part 1944, the latter will govern. A waiver of any condition must be in writing and must be signed by an authorized representative of Rural Development.

(c) Grantee shall use grant funds only for the purposes and activities specified in Rural Development regulations and in the application docket approved by Rural Development including the approved budget. Any uses not provided for in the approved budget must be approved in writing by Rural Development in advance.

(d) If Grantee is a private nonprofit corporation, expenses charged for travel or per diem will not exceed the rates paid Rural Development employees for similar expenses. If Grantee is a public body, the rates will be those that are allowable under the customary practice in the government of which Grantee is a part; if none are customary, the Rural Development rates will be the maximum allowed.

(e) Grant closeout and termination procedures will be as follows:

(1) Promptly after the date of completion or a decision to terminate a grant, grant closeout actions are to be taken to allow the orderly discontinuation of Grantee activity.

(i) Grantee shall immediately refund to Rural Development any uncommitted balance of grant funds.

(ii) Grantee will furnish to Rural Development within 90 days after the date of completion of the grant a "Financial Status Report", Form SF-269A. All financial, performance, and other reports required as a condition of the grant will also be completed.

(iii) Grantee shall account for any property acquired with technical assistance (TA) grant funds, or otherwise received from Rural Development.

(iv) After the grant closeout, Rural Development retains the right to recover any disallowed costs which may be discovered as a result of any audit.

(2) When there is reasonable evidence that Grantee has failed to comply with the terms of this Agreement, the State Director may determine Grantee as "high risk". A "high risk" Grantee will be supervised to the extent necessary to protect the Government's interest and to help Grantee overcome the deficiencies.

(3) Grant termination will be based on the following:

(i) Termination for cause. This grant may be terminated in whole, or in part, 90 days after a Grantee has been classified as "high risk" if the State Director determines that Grantee has failed to correct previous deficiencies and is unlikely to correct such items if additional time is allowed. The reasons for termination may include, but are not limited to, such problems as:

(A) Actual TA costs significantly exceeding the amount stipulated in the proposal.

(B) The number of homes being built is significantly less than proposed construction or is not on schedule.

(C) The cost of housing not being appropriate for the self-help program.

(D) Failure of Grantee to only use grant funds for authorized purposes.

(E) Failure of Grantee to submit adequate and timely reports of its operation.

(F) Failure of Grantee to require families to work together in groups by the mutual self-help method in the case of new construction.

(G) Serious or repetitive violation of any of the provisions of any laws administered by Rural Development or any regulation issued under those laws.

(H) Violation of any nondiscrimination or equal opportunity requirement administered by Rural Development in connection with any Rural Development programs.

(I) Failure to establish an accounting system acceptable to Rural Development.

(J) Failure to serve very low-income families.

(K) Failure to recruit families from substandard housing.

(ii) Termination for convenience. Rural Development or Grantee may terminate the grant in whole, or in part, when both parties agree that the continuation of the project would not produce beneficial results commensurate with the further expenditure of funds. The two parties shall agree upon the termination conditions, including the effective date and, in case of partial termination, the portion to be terminated.

(4) To terminate a grant for cause, Rural Development shall promptly notify Grantee in writing of the determination and the reasons for and the effective date of the whole or partial termination. Grantee will be advised of its appeal rights under 7 CFR Part 1900, Subpart B.

(f) An extension of this grant agreement may be approved by Rural Development provided in its opinion, the extension is justified and there is a likelihood that the grantee can accomplish the goals set out and approved in the application docket during the period of the extension.

(g) Grant funds may not be used to pay obligations incurred before the date of this Agreement. Grantee will not obligate grant funds after the grant termination or completion date.

(h) As requested and in the manner specified by Rural Development, the grantee must make quarterly reports, Exhibit C of this subpart (on 1/15, 4/15, 7/15 and 10/15 of each year), and a financial status report at the end of the grant period, and permit on-site inspections of program progress by Rural Development representatives. Rural Development may require progress reports more frequently if it deems necessary. Grantee must also comply with the audit requirements found in ½1944.422 of Subpart I of 7 CFR Part 1944, if applicable. Grantee will maintain records and accounts, including property, personnel and financial records, to assure a proper accounting of all grant funds. These records will be made available to Rural Development for auditing purposes and will be retained by grantee for three years after the termination or completion of this grant.

(i) Acquisition and disposal of personal, equipment and supplies should comply with Subpart R of 7 CFR Part 3015 and Subpart C of 7 CFR Part 3016.

(j) Results of the program assisted by grant funds may be published by Grantee without prior review by Rural Development, provided that such publications acknowledge the support provided by funds pursuant to the provisions of Title V of the Housing Act of 1949, 42 U.S.C. 1471, et seq., and that five copies of each such publication are furnished to the local representative of Rural Development.

(k) Grantee certifies that no person or organization has been employed or retained to solicit or secure this grant for a commission, percentage, brokerage, or contingent fee.

(l) Grantee shall comply with all civil rights laws and the Rural Development regulations implementing these laws.

(m) In all hiring or employment made possible by or resulting from this grant, Grantee: (1) will not discriminate against any employee or applicant for employment because of race, religion, color, sex, marital status, national origin, age, or mental or physical handicap, and (2) will take affirmative action to insure that applicants are employed, and that employees are treated during employment without regard to their race, religion, color, sex, marital status, national origin, or mental or physical handicap. This requirement shall apply to, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In the event Grantee signs a contract which would be covered by any Executive Order, law, or regulation prohibiting discrimination, Grantee shall include in the contract the "Equal Employment Clause" as specified by Rural Development.

(n) It is understood and agreed by Grantee that any assistance granted under this Agreement will be administered subject to the limitations of Title V of the Housing Act of 1949 as amended, 42 USC 1471 et seq., and related regulations, and that rights granted to Rural Development in this Agreement or elsewhere may be exercised by it in its sole discretion to carry out the purposes of the assistance, and protect Rural Development's financial interest.

(o) Grantee will maintain a code or standards of conduct which will govern the performance of its officers, employees, or agents. Grantee's officers, employees, or agents will neither solicit nor accept gratuities, favors, or anything of monetary value from suppliers, contractors, or others doing business with the grantee. To the extent permissible by State or local law, rules, or regulations such standards will provide for penalties, sanctions, or other disciplinary actions to be taken for violations of such standards.

(p) Grantee shall not hire or permit to be hired any person in a staff position or as a participant if that person or a member of that person's immediate household is employed in an administrative capacity by the organization, unless waived by the State Director. (For the purpose of this section, the term "household" means all persons sharing the same dwelling, whether related or not).

(q) Grantee's board members or employees shall not directly or indirectly participate, for financial gain, in any transactions involving the organization or the participating families. This includes activities such as selling real estate, building material, supplies, and services.

(r) Grantee will retain all financial records, supporting documents, statistical records, and other records pertinent to this agreement for 3 years, and affirms that it is fully aware of the provisions of the Administrative Remedies for False Claims and Statements Act, 31 USC 3801, et seq.

By______________________	By______________________
(Signature)	(Signature)
________________________	________________________
(Title)	(Title)
GRANTEE	RURAL DEVELOPMENT

20. Certification Regarding Drug-Free Workplace

Form AD-1049
1940-M
1940.606(b)(2)

U.S. DEPARTMENT OF AGRICULTURE

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS (GRANTS) ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

This certification is required by the regulations implementing Section 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D: 41 U.S.C.701 et seq.), 7 CFR Part 3017. Subpart F, Section 3017.600, Purpose. The January 13, 1989, regulations were amended and published as Part 11 of the May 25, 1990 Federal Register (pages 21681-21691). Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the grant.

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON PAGE 3)

Alternative I

A. The grantee certifies that it will or will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an ongoing drug-free awareness program to inform employees about -

(1) The dangers of drug abuse in the workplace;

(2) The grantee's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will -

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position

title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted -

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or, local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, State, zip code)

Check ☐ If there are workplaces on file that are not identified here.

Organization Name **Award Number or Project Name**

Name and Title of Authorized Representative

Signature **Date**

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this form, the grantee is providing the certification set out on pages 1 and 2.

2. The certification set out on pages 1 and 2 is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.

3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace - requirements.

4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio studios).

5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s). If it previously identified the workplaces in question (see paragraph three).

6. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

''Controlled substance'' means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

''Conviction'' means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or States criminal drug statutes;

''Criminal drug statute'' means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

''Employee'' means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) all ''direct charge'' employees; (ii) all ''indirect charge'' employees unless their impact or involvement is insignificant to the performance of the grant; and, (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g. volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces)

21.
Certification Regarding Debarments, Suspensions, and other Responsibility Matters

Form AD 1047
1940-M
1940.606(b)(1)

U.S. DEPARTMENT OF AGRICULTURE

Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions

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This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 7 CFR Part 3017, Section 3017.510, Participants' responsibilities. The regulations were published as Part IV of the January 30, 1989 Federal Register (pages 4722-4733). Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the proposed covered transaction.

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE)

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

(a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) have not within a three-year period preceding this proposal been convicted of or had a civil judgement rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

____

Organization Name PR/Award Number or Project Name

____

Name(s) and Title(s) of Authorized Representative(s)

____

Signature(s) Date

Instructions for Certification

1. By signing and submitting this form, the prospective primary participant is providing the certification set out on the reverse side in accordance with these instructions.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out on this form. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the department or agency to whom this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.

6. The prospective primary participant agrees by submitting this form that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this form that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

22. Certification Regarding Lobbying

RD Inst. 1940-Q Exhibit A-1

CERTIFICATION FOR CONTRACTS, GRANTS AND LOANS

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant or Federal loan, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant or loan.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant or loan, the undersigned shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including contracts, subcontracts, and subgrants under grants and loans) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

______________________________ (name)   ______________________________ (date)

______________________________ (title)

oOo

23. Statement of Compliance

1944.411(c)

Statement of Compliance with 7 CFR 3015 & 3019 (Non-Profit) or 7 CFR 3015 & 3016 (Public Agency)

Prepare a statement that the organization complies with the requirements of the appropriate 7CFR in the performance of the self-help housing program. 7 CFR establishes uniform requirements for the administration of grants. The organization's authorized representative must sign and date it, and the corporate seal is then affixed to it, if available.

For more information, the regulations, 7 CFR 3015, 3016 & 3019 can be found at:
http://www.fs.fed.us/r6/coop/programs/regs/regulations.htm.

A sample letter follows.

January 6, 2008

Rural Development Manager
Rural Development
Your Town, State 11111

Dear Mr. or Mrs. Hill,

This letter is to warrant that Your Town Community Development Agency will comply with all of the general provisions for grant and cooperative agreements of (7CFR 3015 & 3016 for State and Local Governments or 7CFR 3015 & 3019 for Non-Profits), the Uniform Federal Assistance Regulations.

Sincerely,

Authorized Representative
Your Town Community Development Agency

24. Assurances – Non-Construction Programs

Form SF-424B
1944.411(f)

Assurances-- Non-Construction Programs

Complete SF 424B “Assurances -- Non-Construction Programs” to demonstrate to Rural Development the organization’s commitment to having an accounting system which is certifiable by a certified public accountant as meeting the Grant Agreement. The authorized representative should sign it. The signer’s title, the name of the corporation as it appears on the Articles of Incorporation, and the date submitted should then be entered.

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.

2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.

5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).

6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.

10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is $10,000 or more.

11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).

12 Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).

14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.

15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.

16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

* SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	* TITLE
* APPLICANT ORGANIZATION	* DATE SUBMITTED

25., 26., 27. Hold Space in Application for these Sections

Section 25. is for the Rural Development Manager's Recommendation; Section 26. is for the T&MA Contractor's Review and Recommendation and Section 27. is for the National Office Review. A space needs to be held for Rural Development to put the appropriate information into each section.

Please create a section for each of these items and then just leave it blank.

C. PUTTING THE APPLICATION TOGETHER

Putting the Final Application Together

Use the Rural Development Checklist for order and format
BEST PRACTICE - Please use the order of the checklist at the beginning of this manual. Include a Table of Contents and tab the sections to make the information easier to locate.

Check every page for completeness, signatures and dates
BEST PRACTICE - Rural Development will send it back if it is incomplete. NCALL recommends that organizations send us their applications first. We will then perform a review and provide comments; this will save everyone involved time during the official review stage.

Make Two Copies of the Application
BEST PRACTICE - Applicants and existing self-help housing grantees applying for a new grant need to submit their applications in an original and one copy to the Rural Development office designated to receive the grant application as determined by the State. Upon receipt the package will be sent to NCALL for review and returned to the State Office within 15 calendar days.

Review Process
The review process should only take 60 days or less. The State Office will review the application only if it is complete. When funding issues are involved, this process may take longer.

Approval
If the application package is complete, the State Director will forward the package to the National Office. The State will then issue a Letter of Conditions.

If the Final Application is approved Rural Development will sign Exhibit A, the "Grant Agreement," and execute and distribute 1940-1, the "Request for Obligation of Funds". **BEST PRACTICE -** When the organization receives this notice please forward a copy to NCALL. At this time we can arrange a trip to provide staff training.

D.
MONTHLY ACTIVITIES

BEST PRACTICE – Month One

FINAL APPLICATION ACTIVITIES
MONTH ONE

ORGANIZATIONAL

Receive final application training

Develop final application preparation planning schedule

PARTICIPANTS

Receive 502 Processing Training

Establish in-house 502 processing procedures and format

Meet with Rural Development and coordinate 502 processing schedule

Make arrangements for obtaining credit reports for applicants

Contact potential applicants from pre-application list and set up appointments for application interviews

Modify recruitment plan based on information gained from the initial pre-application survey

Continue to publicize program for participant recruitment

Continue to prescreen potential applicants

LAND

Complete land analysis for best possible sites

Select potential sites

Review potential sites with Rural Development

HOUSE DESIGN / CONSTRUCTION PLANNING

Select house designs

Submit house plans for certification

Submit house plans to Rural Development state architect for review

FINAL APPLICATION ACTIVITIES
MONTH TWO

ORGANIZATIONAL

Optional: Receive training on Site Development / Subdivision Approval process

PARTICIPANTS

Conduct application interview meetings with prescreened applicants

Document eligibility from likely participants, including budgets

Order credit reports and employment verifications

Continue to publicize program for recruitment

Continue to prescreen potential applicants

Continue to schedule application interviews with new contacts

LAND

Prepare "Option to Purchase" agreements

Negotiate lot prices and option agreements for first group

Secure building lots for first group of participants

HOUSE DESIGN / CONSTRUCTION PLANNING

Prepare Description of Materials

Determine which jobs are to be subcontracted

Establish office policies and procedures for obtaining and awarding bids

Receive Construction Planning training, if needed

BEST PRACTICE – Month Three

FINAL APPLICATION ACTIVITIES
MONTH THREE

ORGANIZATIONAL

Prepare draft of or review current personnel policies and personnel forms for compliance with grant requirements

Establish travel guidelines

PARTICIPANT

Begin to submit complete documented 502 loan packages to Rural Development for determination of eligibility

Continue to conduct application interview meetings with prescreened applicants

Continue to publicize program for recruitment

Continue to prescreen potential applicants

Continue to schedule application interviews with new contacts

Continue to document eligibility from likely applicants

Continue to order credit reports and employment verifications

LAND

Finalize negotiation on price and option agreements for first group

Finalize securing of building lots for potential first group of participants

Survey available land for remaining participants to be served by the grant

HOUSE DESIGN / CONSTRUCTION PLANNING

Prepare request for bids for each subcontracted task

Prepare request for bids for materials cost

Issue request for bids

BEST PRACTICE – Month Four

FINAL APPLICATION ACTIVITIES
MONTH FOUR

ORGANIZATIONAL

Finalize personnel policies and forms for board approval

Finalize hiring schedule

Review job descriptions and salary ranges for any final changes prior to advertising and for inclusion in the final application

Define hiring and interview process

Advertise for staff positions

PARTICIPANT

Rural Development begins to determine applicant eligibility

Develop preconstruction meeting schedule and meeting formats (Use NCALL's Preconstruction Meetings Manual for assistance)

Develop participant membership agreement

Continue to conduct application interview meetings with prescreened applicants, publicize program and prescreen potential applicants, schedule application interviews with new contacts, document eligibility from likely applicants and order credit reports and employment verifications

Continue submitting 502 loan packages to Rural Development for determination of eligibility

LAND

Finalize negotiation on price and option agreements for the first group

Survey available land for remaining participants to be served by the grant

HOUSE DESIGN / CONSTRUCTION PLANNING

Prepare a detailed construction schedule for the first group and for the entire grant period

Prepare construction contracts to be used between participants and contractors and addendum between contractors and agency

Determine land and other variable costs

FINAL APPLICATION ACTIVITIES
MONTH FIVE

ORGANIZATIONAL

Develop the monthly activity schedule for the final application

Interview potential staff and make selection

Review and finalize grant budget for final application

Cost Allocation Plan

Obtain necessary resolutions from board of directors

PARTICIPANTS

First group determined eligible / group association formed

Preconstruction meetings started

Continue to conduct application interview meetings with prescreened applicants

Continue to publicize program, prescreen potential applicants, schedule application interviews with new contacts, document eligibility from likely applicants, and order credit reports and employment verifications

Continue submitting 502 loan packages to Rural Development for determination of eligibility

LAND

Participants select lots, plans and design amenities

HOUSE DESIGN / CONSTRUCTION PLANNING

Evaluate and award bids for subcontractors / suppliers (with participant involvement)

Prepare cost estimates for each house design for final application

Prepare construction contracts for each participant in the first group

Prepare development plans for each participant in the first group

FINAL APPLICATION ACTIVITIES
MONTH SIX

ORGANIZATIONAL

Assemble information on availability of prospective employees

Obtain fidelity bonding

Prepare and finalize grant docket items

Develop accounting guidelines

Submit final grant application first to NCALL then to Rural Development

PARTICIPANTS

Preconstruction meetings continue

Continue to conduct application interview meetings with prescreened applicants

Continue to publicize program, prescreen potential applicants, schedule application interviews with new contacts, document eligibility from likely applicants and order credit reports and employment verifications

Continue submitting 502 loan packages to Rural Development for determination of eligibility

LAND

Obtain surveys for the first group of participants

Obtain plot plans for the first group of participants

HOUSE DESIGN / CONTRUCTION PLANNING

Check with local building authorities on building requirements

Order or request temporary services such as electric, water, dumpster, port-a-john

Conduct a site visit with approved subcontractors to discuss scheduling and contract issues

E.
GRANT CLOSING & DRAWDOWNS

Request for Advance or Reimbursement, Form SF-270

This form is usually completed monthly and submitted to the Rural Development Manager in original and two copies. The form is used to notify Rural Development of the amount of grant funds used during the previous month, the amount of unspent funds on hand, and the projected need to cover expenses for the next month. Written justification should be forwarded with the request if the amount of the request exceeds the projected need for the next 30 days. The form must be in the Rural Development Manager's office fifteen days prior to the beginning of the month. If the request is in order, Rural Development will try to have the advance check delivered on the first of the next month. This form is normally the only report of grant expenditures that Rural Development will require during the grant period.

BEST PRACTICE - Rural Development can establish an electronic transfer for the funds. They will need the routing and account numbers.

The first grant draw can be for the month in which the grant was closed, the following month and can include funds for tool and equipment purchases.

F.
LAND

Land Requirements

The land that is used for the Mutual Self-Help Housing program must meet all Rural Development regulations. In particular, sites must be in rural areas, be modest, and meet minimum standards regarding water and wastewater systems, and street and access requirements. This section addresses each of these standards.

1. Rural areas are defined as:

- • Open country that is not part of or associated with an urban area; or
- • Any town, village, city, or place (including the immediately adjacent densely settled area) that is not part of or associated with an urban area, and that:
  - Is rural in character with a population of less than 10,000; or
  - Is not contained within a Metropolitan Statistical Area (MSA) and has a serious lack of mortgage credit with a population between 10,000 and 20,000.

BEST PRACTICE - The following website will help to determine if the site you are considering is in an eligible area. http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do.)

2. The following is Rural Development's description of **a modest site**, as taken from their Handbook. Modest sites are defined by their size, value, and the presence of any outbuildings. Therefore, the Loan Originator must verify that the requirements listed below are met.

- **Size.** The site must not be large enough to be subdivided under local subdivision regulations.

- **Value.** The value of the site must not exceed 30 percent of the as-improved market value of the property. The 30 percent limitation may be exceeded if the site cannot be subdivided into two or more sites and the value of the site is typical for the area, as evidenced by the appraisal and the practices of other lenders.

- **Farm Buildings.** The property must not include farm service buildings; however smaller outbuildings such as storage sheds are allowed.

3. The site must have **water and wastewater disposal systems**, whether individual, central, or privately-owned and operated, that meet the applicable water and wastewater disposal system requirements of RD Instruction 1924-C. There must be assurance of continuous service at reasonable rates for central water and wastewater disposal systems. A system owned or operated by a private party must have a legally irrevocable agreement which allows interested third parties to enforce the obligation.

4. The site must **have access to a public road** maintained by a public body.

Land Survey

BEST PRACTICE - After choosing several possible sites for the group, complete a detailed land analysis form for the best possible sites for the group. This will include researching the legal description, zoning, community and utility services, property taxes, site improvement needs, drainage, and a cost summary. If the previous steps were done well in the Preapplication, a significant amount of information will already have been collected.

BEST PRACTICE - While conducting a search for land, NCALL recommends that the local Rural Development office become involved prior to a land purchase being made. The local office personnel will be able to help determine if the land is acceptable for a 502 loan.

Selecting the site

After completing the land analysis forms for the different sites that are being considered for the self-help program, you must decide which one(s) would be most suitable for use in the program. The following will help you consider what things are important for the program and the participants.

BEST PRACTICE - The first thing that must be done in the selection of a site is to assess the suitability of the location. Is it located in an area that is zoned or conforms to local codes for its purpose? Are there community facilities close by? The site needs to be located within a rural community and convenient to its amenities. It must have access to a road maintained by a public body (town or county government). Is the site located adjacent to or near such nuisances or unsafe features such as airports, railroads, super highways, high tension lines, factories, sanitary landfills, or cemeteries? Are the uses of adjacent sites compatible to the proposed project? Is there any historic relevance to the property? Make sure there is water, sewer and other necessary utilities available to the site.

BEST PRACTICE - The physical characteristics of the site must also be assessed. Take into consideration the size, shape, slope and drainage of the site, as well as the suitability of the soil. Make sure the topography is suited to economical home construction. Determine if the site is in a flood plain, wetland, prime farmland, barrier island, historical district, or subject to other environmental features that make it difficult if not impossible to develop.

BEST PRACTICE - The cost of the site is another important factor that must be considered. Be sure to add acquisition and development costs to get an accurate picture of what the total cost will be. Is it affordable to the participants?

Optioning Versus Purchasing

Option agreements
An option agreement is a contract in which the owner of a property agrees to sell the property at a specified price within a specified period of time at the option of the buyer. The buyer is not obligated to buy, but the seller is obligated to sell if the buyer chooses to exercise the option to buy. The buyer secures the option by paying a sum of money to the property owner. If the buyer doesn't exercise the option, he/she may forfeit this sum to the owner.

BEST PRACTICE - Option agreements should be between the seller and the self-help participants. They can be used when the land is available for immediate construction. Purchase funds for the land come out of the families' 502 mortgage loan. This is generally the best method for self-help. A sample option agreement, RD form 440-34 "Option to Purchase Real Property", is located in an earlier section.

Purchasing land
If an organization has the purchase money, it can purchase land for later resale to the participants. It can be beneficial to do this if purchasing a large number of lots from a single seller. Recouping the carrying charges when land is sold to the participants, is permitted as long as it is within reason. Interim financing is required if this is the route you are going to go. The 523 predevelopment grant funds are not permitted to be used for this purpose.

Interim financing
There is no single "pot of money" an organization can go to for land financing. Be creative, resourceful, and knowledgeable when searching for interim financing. Some of the many different forms of interim financing are briefly explained below.

Seller financing is when the loan is taken from the seller and you pay them back directly. This can be very advantageous to some groups. Private lenders include the use of commercial banks and saving and loan associations. The banks may be able to provide loan funds using their Affordable Housing Program (AHP) or Community Reinvestment Act (CRA) programs.

There are some government loan programs, such as the Rural Development 523 rural housing site loan, that can be used to purchase, develop and subdivide land for resale to self-help housing participants. This loan has a two-year term and a 3% interest rate. Rural Development also has Section 524 rural housing loan money. It is the same as 523 except land can be resold to others than self-help participants. The sites can be sold to low and moderate income applicant eligible for HUD mortgages and VA guaranteed loans.

There are other nonprofit organizations with programs funded by federal, state and local governments, they have a two-year term and are generally available at the current market rate. There are probably other government funding sources in your area such as a community development block grant, state housing program and state housing trust funds.

Some nonprofit organizations have loan funds such as the Housing Assistance Council (HAC) loan and the Community Transportation Association of America (CTAA) (formerly Rural America). Other sources could be private and corporate foundations, insurance companies, and cities and counties.

BEST PRACTICE – See all notes below

Option Language

Consideration:

Specifies the amount to be paid as earnest money and is refundable to buyer if unable to secure financing or for other reasons which should be specified in option language. The option price should not be more than 10% of the purchase price.

Total sales price:

Specify full purchase price and whether the earnest money is applicable to the sales price.

Renewal:

This provides the buyer with favorable renewal or extension terms, increase in price (preferably none at all) or calendar term of renewal period.

Refund:

A refund clause can be triggered if conditions vital to the project cannot be met or financing is not available. Some conditions vital to the project could be obtaining a clear and marketable title, zoning changes, easement necessary for access to the property or to run utilities, and acceptable soil and subsurface conditions.

Access:

This allows freedom to the buyer to use the property for physical inspection, survey work, engineering or architectural studies, soil sampling, and core borings.

Special conditions:

Options drafted so that the purchase is contingent on satisfactory resolution of specified items (zoning changes, easement for right of way for physical access or utilities or special permits).

Legal description:

Check this for accuracy. Make it a condition of the option to require a survey and an examination of the legal description prior to closing.

G. PERSONNEL ISSUES

Personnel Issues

There are many personnel issues that must be handled in regards to the self-help housing program and application process.

BEST PRACTICE - NCALL has assembled some helpful information and included it here to assist agencies with all that is required of them. This section provides information on developing job descriptions, creating a salary survey, and interviewing, selecting, and hiring personnel.

BEST PRACTICE -

Developing Job Descriptions

When facing the task of developing job descriptions, focus on the goals and objectives of the program, then determine the tasks and activities required to achieve those goals. Determine the length of time needed to complete each task, and the skills required by each task. Then develop a list of staff positions and the tasks to be completed by each position. At that point it is easier to make the decision on whether that position needs to be full time, part time, etc. After conducting a salary survey (if one is needed) set salary ranges for each position. Then it is possible to develop an organizational chart clarifying the decision making process. Additionally, all job descriptions should have the same format.

The following is a list of **Major Self-Help Tasks.** This list can be used as a starting point to help decide who will be responsible for each task.

A. Overall program oversight
B. Supervision and coordination of personnel
C. Management of day-to-day operations
D. Locate land for the program
E. Identify and secure funds for program operations
F. Recruitment of participants
G. Assist with application and closing
H. Coordinate and conduct preconstruction meetings
I. Counsel participants with budget or financial problems
J. Recruitment presentations to the local community
K. 502 loan accounting
L. 523 grant accounting
M. Approval and check authorization
N. General office and clerical duties
O. Preparation of quarterly, monthly and year end state and federal reports
P. Maintain administrative records (leave, mileage, time, etc.)
Q. Obtaining or preparation of construction plans and spec.
R. Obtaining and selecting bids
S. Preparation of cost estimates
T. Coordination of construction supplies and contractors
U. Train, supervise, and coordinate the participants through construction
V. Conducting construction meetings
W. Order building inspections
X. Liaison with Rural Development Local Office
Y. Liaison with Rural Development Area Office

Sample Employee Compensation and Benefit Survey

Letterhead

Date

Name of and Address
of Organization

Dear ________________:

I am enclosing an Employee Compensation and Benefit Survey for your review and completion. This survey is being mailed to non profit corporations, units of state and local government, and for-profit corporations that have similarities in mission and focus as ours. _____________________ is involved with a Rural Development housing program entitled Mutual Self-Help Housing. This program utilizes groups of low-income would-be homeowners who pool labor resources under the guidance of our organization to build homes together. These participants are all accepted individually in the Rural Development 502 Home Loan Program, then work together to buy materials and services, while providing much of the labor.

This survey will yield reliable information that will enable our Board of Directors to examine the salaries and benefits offered our employees to see if they are competitive with organizations such as yours.

Would you please take a few minutes to complete this survey and mail it back in the self-addressed, stamped envelope that is enclosed for your convenience it would be helpful for us to receive your response by ____________________________________. This survey has been designed to take a minimum amount of time to complete. As you complete the survey, should you have any questions, you may contact ____________________________ at _________________.

Thank you for your time in completing this survey. Your helpfulness is greatly appreciated.

Sincerely,

Enclosures

Employee Compensation and Benefit Survey

In order for this survey to yield reliable information, it is important to ask a few questions about your organization. Questions have been phrased in terms of ranges not requiring exact budget information. Your specific response will be kept in the strictest confidence.

I. ORGANIZATIONAL INFORMATION

a. Name of Organization:

____

b. Address of Organization: ____

____

c. Telephone Number: ____

d. Name of Provider of Information: ____

e. Brief description of Services Provided by Your Organization: ________________________

____

____

____

____

f. Type of Organization and Structure (You may check more than one if appropriate):

Private Nonprofit Housing Corporation.. ____
Unit of Local Government (Public Body).. ____
Community Action Agency.. ____
Housing Authority... ____
Self-Help Housing Grantee.. ____
Regional TA Provider.. ____
Department of Labor, Farmworker Housing Grantee... ____
Nonprofit Corporation (non-housing services)... ____
For-Profit Housing Related Corporation.. ____

g. Number of Persons Employed by the Organization

5 or Under... ____
6 to 10.. ____
11 to 25.. ____
More than 25... ____

h. Annual Operating Budget of the Organization

$200,000 or Under.. ____
$200,000 to $500,000... ____

$500,000 to $1,000,000.. .____
More than $1,000,000.. ____

i. Service Area of the Organization

One City, Town, or County.. ____
Multi-Town or Multi-County.. ____
State-wide.. ____
Multi-State of Regional... ____

j. How Long has the Organization Been in Existence? __________ Years

II. COMPENSATION / WAGE SURVEY

Please look and the position titles and descriptions listed and determine if you have a similar position currently existing in your organization. If so, please indicate the salary range for the position. If no range exists, please indicate the current salary. Note that we have listed other commonly use titles at the end of each description. Your organization may use the same title that we use, one of the other common titles, or a completely different title. If your organization has a similar position, but with what you feel are important differences in duties, please indicate those differences in the space below the description. This will help us to properly analyze the salary data.

POSITION TITLE AND DESCRIPTION	SALARY RANGE

<u>Executive Director/President</u>

Responsible for administering the entire self-help housing program including planning, organizing, staffing, and controlling the day-to-day and long-term operations. Other responsibilities include budgeting, program development, public relations, fiscal management, and supervision of staff. Responsible for setting priorities, and attaining goal accomplishment as well as review and evaluation. $________________

<u>Other common titles are:</u>
Director
Project Director

<u>Group Coordinator</u>

Responsible for outreach and recruiting low-income applicants who are interested in the self-help method of constructing each other's homes and assisting them in obtaining housing loans from Rural Development. Process involves advertisement, community meetings, interviewing, verifying debt loads and credit, developing budgets, determining possible eligibility and assisting applicants in preparing Rural Development applications. Responsible for conducting meetings of participants to explain the program and subjects related to home ownership such as budgets, loan payments, taxes, insurance, maintenance, and upkeep of the property. Assists participants in selecting house plans and building lots. Works closely with the group $________________

of participants during construction to encourage active participation and help in solving related problems.
<u>Other common titles are:</u>
Housing Specialist
Housing Counselor
Recruiter/Loan Packager

<u>Construction Supervisor</u>

Responsible for training participants through demonstration and explanation, in each step through rough and finish carpentry associated with home construction. Assists participants in selecting or developing house plans and in the acquisition of suitable building sites. Prepares cost estimates for loan accounts by cost category. Prepares construction specifications, advertises for materials and subcontractors. Prepares contracts for each participant. Organizes and supervises on-site construction work of participants, assigns job tasks, insures quality of work and timely completion of homes. Schedules delivery of materials, contract work and participant labor. Organizes and conducts participant group meetings prior to and during construction to provide training to and to outline construction schedules. Assumes complete responsibility for operations at the construction sites. Monitors costs and the time necessary for completion of homes. $_________________
Other common titles are:
<u>Construction Manager</u>
Trainer

<u>Secretary / Bookkeeper</u>

Responsible for maintaining a complete double entry type accounting system. Participates in budgeting, fiscal planning, and cash flow management. Responsible for processing grant and participant loan invoices for payment, preparing vouchers and fiscal reports, purchasing equipment and supplies, inventory maintenance, and payroll function. Provides financial supervision to individual participants and administers the participant construction loan funds during the construction phases. Types letters, memoranda, contracts, forms, minutes, and reports needed for the operation of a self-help program. Performs other miscellaneous duties such as filing and receptionist. $_________________
<u>Other common titles are:</u>
Office Manager

III. FRINGE BENEFIT SURVEY

a. Please put an “X” next to the following fringe benefits provided by your organization, note the percentages paid by employer and employee, and provide the actual monthly cost of the benefit per employee.

	% Paid By Employer	% Paid by Employee
( ) Health Insurance	__________	__________
( ) A fully comprehensive policy		
( ) A deductible type policy		
( ) A health maintenance organization (HMO)		
( ) Coverage for employee only		
( ) Coverage for employee and family		
Cost per month per employee: ______________		
Insurance company name (optional): ________________		
____		
( ) Dental Insurance	__________	__________
( ) A fully comprehensive policy		
( ) A deductible type policy		
( ) Coverage for employee only		
( ) Coverage for employee and family		
Maximum cost per month per employee: _____________		
Insurance company name (optional): ________________		
____		
( ) Life Insurance	__________	__________
How much coverage? ____________________		
Cost per month per employee: ______________		
Insurance company name (optional): ________________		
____		
( ) Disability Insurance	__________	__________
Cost per month per employee: ______________		
Insurance company name (optional): ________________		
____		
( ) Pension Plan	__________	__________
Cost per month per employee: ______________		
Describe method of determining contribution: (e.g., % of wage earned by employee) ______________________		
____		
____		
( ) Tuition Reimbursement	__________	__________

Please include a brief narrative on the back of this page or attach benefits policy if the above categories are insufficient to explain the benefits offered by your organization.

b. Number of paid Holidays per year? ______________________________

c. Number of Annual Leave days per year? ______________________________

d. Number of Sick Leave days per year? ______________________________

e. Is Emergency or Bereavement Leave offered? Yes __________ No ____________

If yes, list maximum number of days: ______________________________

f. Can Annual Leave or Sick Leave be carried over from year to year? Yes ______ No _____

g. Does the agency compensate for unused leave at the end of employment?

Annual Leave: Yes ________ No ________

Sick Leave Yes ________ No ________

h. Does the agency provide paid Maternity / Paternity Leave (in addition to AL and SL)?

Yes ________ No ________

If yes list maximum number of days: ______________________________

Maximum amount of time off allowed: ______________________________

i. Does the agency have a formal Compensatory Time (Comp-Time) policy, enabling

employees to accrue leave for extra hours worked? Yes ________ No _______

On what basis is time calculated? ______________________________

j. Does the agency offer an employee's Birthday off as paid leave? Yes ______ No ______

k. How many hours is the agency's work week? Yes _______ No _______

Is lunch hour: ______Paid ______Unpaid

l. Does the agency offer flexible starting times for employees? Yes ________ No _______

m. Agency's daily office hours: From __________ AM to _________PM

n. What method is used to offer annual salary increases?

( ) Cost of living increase (COLA) 2006 %____________________

( ) Merit increase 2006 %____________________

( ) Combination 2006 %____________________

( ) Other (please describe): ______________________________

____

____

o. Do you have salary ranges with step increases for positions? Yes ________ No _________

If yes, please describe how often and how amount is determined: ___________________

____

____

p. Current mileage reimbursement rate: ____________ cents per mile.

q. Current per diem rate for overnight travel (excluding lodging): $_______________ per day.

I would like a copy of the summarized survey results:

Yes __________ No __________

BEST PRACTICE – See all notes below

Salary Range and Fringe Benefit Areas of Concern

Job Descriptions

In order to achieve a comparable reading of a salary survey, review the job description, not the individual or the title of a job. The person who is conducting this review should be competent and knowledgeable. In avoiding comparisons of titles, concentrate on duties and responsibilities that a job has. When comparing, recognize the important differences in the positions. For example a Director who supervises one grant with four employees probably has different skills and areas of expertise than does a Director of an organization that runs several grants and supervises 15 employees. The same could be said for a Bookkeeper of one set of double entry books being compared to a Bookkeeper with several sets of accounting records.

Suitable Agencies

Where should the survey be sent? Send it to other nonprofit agencies, government agencies, commercial business, community action agencies, county housing authorities, and nonprofit community health organizations. Consider the size of organization to be important information, as well as the similarity of operation, and geographic and economic similarities.

Consider budgetary limitations

It would be nice to think that no matter what the salary survey said, that is what an organization could pay an employee, but there are other factors to consider. The most important would be what the agency can afford, internal salary relationships, increases in the cost of living, recruiting problems and policy constraints, and fringe benefits.

If you find that you can not afford to pay all of the staff at this point, an organization can decide whether or not to fill all or some of the staff positions on a part-time basis.

Mutual Benefit

It is a good idea to have personal contact with someone in a prospective participating agency before dropping the survey questionnaire into mail. Not all organizations consider their salary structures to be open books.

Offer to share the results of the survey with those who participate. This can encourage them to do so and it is common courtesy and the basic rule when conducting a survey.

BEST PRACTICE – See all notes below

Employee Selection Process

Before advertising for positions, review the job description, salary range, and decide on a closing date for applications. Think about what you want from the applicant. An application and a resume will be needed. Does the prospective employee need any special certification or will a typing test be required? Should they be able to provide pictures of houses or structures they have built and references? Make all of these decisions up front so the applicant can provide it immediately and be properly screened.

The goal is to select employees that have the knowledge, ability, and willingness to perform. Good selections reduce turnover, reduce cost and improve morale.

Review the application form for possible revisions. (See the included form "Questions You Should Not Ask in Your Employment Application.")

There are many sources for recruiting employees. Consider promoting or transferring an employee from within the organization. Investigate the possibility of the state employment office, college placement offices, high schools, community organizations or social service agencies, employee referrals and trade journals or newsletters.

Before advertising in the paper, there are several things you should know. Find out the circulation and coverage of a newspaper. Sunday through Thursday usually has good readership while Friday and Saturday are usually not as strong. Know your reasonable employment area. How far away can you attract candidates? Develop the ad, get costs, see where you can cut or use abbreviations, and ask about nonprofit discounts. Always budget some funds for employment advertising.

Define the process of recruitment. Rank applications into acceptable and unacceptable categories. The acceptable ones meet the basic criteria. Plan the interviewing process. How many people will be interviewed? Will it be all of the acceptable candidates or will they be ranked within that category?

It is important to look at an application and resume for more than just content. The way the information is organized, the visual presentation, and spelling and grammar are important aspects that give a glimpse into what the applicant is like. Also look for accuracy, appropriateness of material, and extra information that may enhance that applicant. Some "red lights" that might spell trouble with an applicant are excessive turnover, not giving their supervisor as a job reference, claiming too much and poor presentation of the material.

When conducting interviews, be prepared. Make sure to give yourself enough time for each interview, ½ to 1 hour. Prepare for the interview by reading the resume and application and making notes to comment on or ask. Develop a master set of questions so everyone is asked the same. Let the applicant do most of the talking. Take notes and be patient. After six interviews it is easy to forget if notes are not taken. Give the applicant an opportunity to ask questions. When possible, use two people to interview – two heads are better than one. Devise a structured approach to interviewing to assure effectiveness. A sample structure follows.

As a rule of thumb if you as an interviewer do more than 20% of the talking, you are talking too much. There is nothing wrong with silence. Do not feel that you have to fill every void. Silence after each statement will encourage the applicant to elaborate more.

Get the candidates full view of key situations so that there is enough background to check out the other side of the story with the former employer.

If you want to consider this candidate further, try to determine his/her interest in the job. Are there deadlines or other pending job offers? Is there flexibility in the candidate's salary requirement? When are they able to begin? Outline the process that will happen next. Don't promise an early answer if there isn't going to be one. Give them a realistic timeframe. Keep communication open with the best candidates.

Don't send a candidate positive signals unless you are interested. Think about it at least overnight. Do not make on the spot offers. Be sure to check references.

When ranking the persons who have interviewed use an objective process. Determine the top two or three candidates and check their references.

Checking references

Why is it important to check references? Checking with the former employer is needed to verify what the applicant has said. It allows you to get an indication of his/her performance level. The best performance indicator of the future is to find out what was done in the past.

What is the best way to check references? Obtain three professional work references. People who knew the applicant well enough to comment on their work, ideally their supervisor. Obtain names, addresses and telephone numbers. Letters are of little value. Use the phone to call for references. Use non-directive questions that will elicit a yes or no answer. You want detail. See "Sample Reference Questions." Reference information should never be revealed to the candidate. Respect that the information given to you was done so in confidence.

If references are positive, it is time to make the offer. Hiring the right person is matching the applicant to the job description and the company. It's also a good idea to have an employee orientation plan. An example follows.

BEST PRACTICE -

Questions that Should Not be on Your Employment Application
(or Asked During an Interview)

Questions that may be interpreted as violations of equal opportunity regulations include:

SUBJECT	DO NOT ASK
Name	Maiden Name
Residence	Do you own or rent?
Age	Age, Birth date
Origin	Birthplace of applicant or parents
Sex, Marital Status, Family	Sex, Marital Status, Number of Children or Dependents, Questions regarding pregnancy, With whom do you reside?
Race	Race, Color
Physical Description	Height, Weight, Require a photograph
Physical Condition, Handicap	General Medical Condition, Health, Illnesses, Questions about receipt of Worker's Compensation. Do you have physical disabilities or handicaps?
Religion	Religion, religious days observed.
Arrest	Have you ever been arrested?
Bonding	Have you ever been refused a bond or had one cancelled?
Military Service	General questions about service, dates, and types of discharge.
Economic Status	Questions about assets, liabilities, credit rating, or bankruptcy.
Organizations, Activities	List organizations, clubs, and societies you belong to.
References	Any question of applicant's former employers or acquaintances that elicit information about applicant's race, color, creed, origin, ancestry, handicap, medical condition, marital status, age or sex.

BEST PRACTICE – See all notes below

Interview Structure Example

Establish Rapport The goal is to reduce anxiety and nervousness. Use a comfortable and private area. Do not take calls (sends negative signals). Try it around a table, a desk sets up barriers. Create some small talk about mutual interests. Share what the interview will cover.

Inquire About Training and Education The most information will be gained by asking open ended questions starting with "Who", "What", "When ", "Why", or "How". Examples: Why did you decide to take courses in bookkeeping? How were your grades in major courses compared to others? Who influenced your best performance in school and in what way?

Inquire About Experience Sample questions: What kind of bookkeeping experience have you had? Tell me about the equipment you have operated as a bookkeeper? Where did you gain your most valuable experience in this kind of work?

Inquire About Attitudes and Motivation Why were you given that particular assignment? Who was your best boss and what were his/her superior qualities? Describe the people you worked with when you were with that agency? In your last job, when did you feel most productive? When least productive? What work would you like to be doing five years from now?

Give Information About the Job At this point a candidate that really interests you should be given a detailed description of the job so that they can make an informed decision should you extend an offer. If appropriate, take them to the work area, show them self-help homes, etc. Introduce them to potential co-workers. As with the self-help program and participants, do not glamorize the job. Be honest about the job's satisfactions and frustrations. Admit the drawbacks. Mature workers know that jobs have drawbacks and will be suspicious of a rose-colored job description.

Provide an Opportunity for Questions by the Applicant

Close the Interview

(Outline the process and what will happen next; give a realistic time frame.)

As mentioned earlier, do not make on the spot offers. Rank the applicants, think about it at least overnight and always check references.

Name ___________________________________

Questions for People to be Interviewed

1. What interests you about this job?
2. Availability for work?
3. Available for evening meetings and occasional overnight travel?
4. Reliable transportation?   Much travel involved.
5. General knowledge of local area for travel purposes (rural areas)?
6. Previous work with low-income people ---- explain?
7. Community organizing background? Issue, church, etc.
8. What about your educational and work background is well-suited to this job?
9. Participation in community organization?
10. Ability to handle several tasks at once?
11. What work-related tasks do you enjoy most?
12. Math background, experience at working with budgets?
13. Housing background?
14. Experience with or knowledge of Rural Development? With any government agencies or programs?
15. Writing ability, samples, papers, reports, proposals, or examples?
16. Speaking ability - - workshops, explaining technical items, etc.?
17. Experience in packaging any type of federal or governmental application or proposals?

18. References? Application complete? Resume in good order? Etc.

19. Ever provided technical assistance before?

20. Education: High School, College (2 or 4 years) Major, Grades, etc.?

21. Manner of relating to people.

22. Volunteer community or church work?

23. Other applicable comments?

24. Most difficult task or work problem? (Measure stress-handling ability)

25. Creativity – what have you done? Change oriented?

26. What kind of work do you want to do in the future?

27. What kinds of qualities do you seek in your co-workers?

28. Previous supervisory experience? Explain.

Name ___________________________________

Questions for People to be Interviewed for Self-Help Financial Position

1. What interests you about this job?
2. Availability for work?
3. Reliable transportation?
4. Previous work with low-income people ---- explain?
5. What about your education and work background is well suited for this job? Expand on both.
6. Head bookkeeper, or in charge and responsible for the books previously?
7. Explain bookkeeping/accounting system you have worked with.
8. What books were kept and to what extent? (General Ledger, General Journal, Cash & Payroll Journals, etc.)
9. Have you ever set up a bookkeeping system?
10. Ever kept books for an organization that had federal funding and multiple sources of funding?
11. Have you ever prepared financial statements for analysis by internal management? What kind of statements?
12. Have you ever prepared cash projections or done budget forecasting?
13. Ever been involved with a CPA or OIG audit?
14. Can you do a trial balance?
15. Ever prepared Federal and State tax returns, or nonprofit 990 tax forms?
16. Math background, experience at working with budgets?
17. Ability to use calculators and adding machines?

18. Ability to handle several tasks at once?

19. Most difficult task or work problem you have had?

20. What work-related tasks do you enjoy most?

21. Writing and speaking ability? What have you done in this arena?

22. Ever had to write or assist with proposals, reports, budgets, etc.?

23. Provided training, workshops, and / or trained other bookkeepers in basic accounting requirements? Willing to train others and give workshops?

24. Ability to travel (generally once per year for conference)?

25. Familiar with OMB Circulars A-122, A-110, A-102?

26. What kinds of qualities do you seek in your co-workers?

27. Previous supervisory experience?

28. Manner of relating to people?

29. Participation in community organizations, church work, etc.?

30. References and application complete?

Sample Ranking Chart Format

CRITERIA	Candidate A	Candidate B	Candidate C	Candidate D
Education / Training 0-10 Points				
Related Housing Experience 0-10 Points				
Other Appropriate Experience 0-5 Points				
Other Skills Applicant Can Bring to Organization 0-3 Points				
Communication Skills (Writing, Verbal, etc.) 0-3 Points				
Interview 0-10 Points				
References 0-5 Points				

(Maximum of 46 Points)

Total Points ____________ ____________ ____________ __________

Sample Reference Questions

1. What were Mary's dates of employment with you?
2. What were her duties?
3. How long did she work there and in what capacity?
4. How would you describe the level of her performance?
5. She said that she earned $________ per month with you. Is that correct?
6. How was her attendance record and punctuality?
7. How did she get along with fellow workers?   With you?
8. Why did Mary leave your organization?
9. Would you re-hire Mary if you had the right job for her?
10. Add your own specific questions pertaining to the job and the previous interview.

Construction Specialist Reference Sheet

Applicants Name:

Name of Reference:

Relationship of Applicant and Reference:

Date of Reference Check:

How long have you known the applicant?

Did you supervise the applicant's work?

Can you attest to the applicant's construction skills? Be specific, residential, Rural Development, commercial?

Can you attest to the applicant's drafting, cost estimating, and materials takeoff skills?

Has the applicant ever trained or taught construction?

Has the applicant ever supervised a construction crew or subcontractors before?

Is the applicant honest and trustworthy?

Can you vouch for the applicant's character?

Are you aware of any alcohol or drug addiction that could affect the applicant's job performance?

How would you assess the applicant's writing ability? Able to handle administrative duties, such as reports, etc.?

Any other observations you would like to make about the applicant?

Sample Employee Orientation Plan

Position ____

Supervisor ______________________________________

	Who Will Orient	When
A. Accommodations: office, desk, coffee, parking, restrooms, supplies, etc.	______________	__________
B. Agency mission, accomplishments, programs, and overall goals.	______________	__________
C. Tax and benefit information / enrollment.	______________	__________
D. Job description, organizational structure, and Personnel Policies.	______________	__________
E. Develop work / orientation schedule.	______________	__________
F. Program proposal including need, goals, action plan, and description.	______________	__________
G. Meet key people within office that employee will interact with.	______________	__________
H. Meet key people outside of office: Rural Development, community leaders, venders, social service, etc.	______________	__________
I. Read program regulations / instructions.	______________	__________
J. When appropriate, have employee observe: work on job site, taking a 502 application.	______________	__________
K. Read newsletters, housing updates, and manuals appropriate for the position.	______________	__________
L. Touch base with employee about progress and expectations.	______________	__________

Some Good Ideas

- Keep the first few days people oriented.
- Arrange lunch companions for the first week.
- Do not inundate employee with paper.
- Take time, have patience, listen, invest.