

agency during the specifically identified 12-month period preceding the signing of the cooperative agreement.

(c) *AC funds.* (1) Agencies that acceptably process 100 or more cases will receive no less than 10 percent of the agency's total FHAP payment amount for the preceding year, in addition to CP funds, contingent on fiscal year appropriations. Agencies that acceptably process fewer than 100 cases will receive a flat rate, contingent on fiscal year appropriations.

(2) Agencies will be required to provide HUD with a statement of how they intend to use the AC funds. HUD may require that some or all AC funding be directed to activities designed to create, modify, or improve local, regional, or national information systems concerning fair housing matters (including the purchase of state-of-the-art computer systems, obtaining and maintaining Internet access, etc.).

(d) *P funds.* The purpose of P funds is for an agency participating in the FHAP to utilize the services of individuals and/or public, private, for-profit, or not-for-profit organizations that have expertise needed to effectively carry out the provisions of the agency's fair housing law. P funds are fixed amounts and shall be allocated based on the FHAP appropriation. Agencies must consult with the CAO and GTR in identifying appropriate usage of P funds for the geographical area that the agency services. Some examples of proper P fund usage include, but are not limited to:

(1) Contracting with qualified organizations to conduct fair housing testing in appropriate cases;

(2) Hiring experienced, temporary staff to assist in the investigation of complex or aged cases;

(3) Partnering with grassroots, faith-based or other community-based organizations to conduct education and outreach to people of different backgrounds on how to live together peacefully in the same housing complex, neighborhood, or community;

(4) Contracting with individuals outside the agency who have special expertise needed for the investigation of fair housing cases (e.g., architects for design and construction cases or qualified individuals from colleges and univer-

sities for the development of data and statistical analyses).

§ 115.305 Special enforcement effort (SEE) funds.

(a) SEE funds are funds that HUD may provide to an agency to enhance enforcement activities of the agency's fair housing law. SEE funds will be a maximum of 20 percent of the agency's total FHAP cooperative agreement for the previous contract year, based on approval of eligible activity or activities, and contingent upon the appropriation of funds. All agencies receiving contributions funds are eligible to receive SEE funds if they meet three of the six criteria set out in paragraphs (a)(1) through (a)(6) of this section:

(1) The agency enforced a subpoena or made use of its prompt judicial action authority within the past year;

(2) The agency has held at least one administrative hearing or has had at least one case on a court's docket for civil proceedings during the past year;

(3) At least ten percent of the agency's fair housing caseload resulted in written conciliation agreements providing monetary relief for the complainant as well as remedial action, monitoring, reporting, and public interest relief provisions;

(4) The agency has had in the most recent three years, or is currently engaged in, at least one major fair housing systemic investigation requiring an exceptional amount of funds expenditure;

(5) The agency's administration of its fair housing law received meritorious mention for its fair housing complaint processing or other fair housing activities that were innovative. The meritorious mention criterion may be met by an agency's successful fair housing work being identified and/or published by a reputable source. Examples of meritorious mention include, but are not limited to:

(i) An article in a minority newspaper or a newspaper of general circulation that identifies the agency's role in the successful resolution of a housing discrimination complaint;

(ii) A letter from a sponsoring organization of a fair housing conference or symposium that identifies the agency's

§ 115.306

successful participation and presentation at the conference or symposium;

(iii) A letter of praise, proclamation, or other formal documentation from the mayor, county executive, or governor recognizing the fair housing achievement of the agency.

(6) The agency has completed the investigation of at least 10 fair housing complaints during the previous funding year.

(b) Regardless of whether an agency meets the eligibility criteria set forth in paragraph (a) of this section, an agency is ineligible for SEE funds if:

(1) Twenty percent or more of an agency's fair housing complaints result in administrative closures; or

(2) The agency is currently on a PIP, or its interim certification or certification has been suspended during the federal fiscal year in which SEE funds are sought.

(c) SEE funding amounts are subject to the FHAP appropriation by Congress and will be described in writing in the cooperative agreements annually. HUD will periodically publish a list of activities eligible for SEE funding in the FEDERAL REGISTER.

§ 115.306 Training funds.

(a) All agencies, including agencies that receive CB funds, are eligible to receive training funds. Training funds are fixed amounts based on the number of agency employees to be trained. Training funds shall be allocated based on the FHAP appropriation. Training funds may be used only for HUD-approved or HUD-sponsored training. Agency-initiated training or other formalized training may be included in this category. However, such training must first be approved by the CAO and the GTR. Specifics on the amount of training funds that an agency will receive and, if applicable, amounts that may be deducted, will be set out in the cooperative agreement each year.

(b) Each agency must send staff to mandatory FHAP training sponsored by HUD, including, but not necessarily limited to, the National Fair Housing Training Academy and the National Fair Housing Policy Conference. If the agency does not participate in mandatory HUD-approved and HUD-sponsored training, training funds will be de-

24 CFR Subtitle B, Ch. I (4-1-12 Edition)

ducted from the agency's overall training amount. All staff of the agency responsible for the administration and enforcement of the fair housing law must participate in HUD-approved or HUD-sponsored training each year.

§ 115.307 Requirements for participation in the FHAP; Corrective and remedial action for failing to comply with requirements.

(a) Agencies that participate in the FHAP must meet the requirements enumerated in this section. The FHEO regional office shall review the agency's compliance with the requirements of this section when it conducts on-site performance assessments in accordance with § 115.206. The requirements for participation in the FHAP are as follows:

(1) The agency must conform to all reporting and record maintenance requirements set forth in § 115.308, as well as any additional reporting and record maintenance requirements identified by the Assistant Secretary.

(2) The agency must agree to on-site technical assistance and guidance and implementation of corrective actions set out by the Department in response to deficiencies found during the technical assistance or performance assessment evaluations of the agency's operations.

(3) The agency must use the Department's official complaint data information system and must input all relevant data and information into the system in a timely manner.

(4) The agency must agree to implement and adhere to policies and procedures (as the agency's laws allow) provided to the agency by the Assistant Secretary, including, but not limited to, guidance on investigative techniques, case file preparation and organization, and implementation of data elements for complaint tracking.

(5) If an agency that participates in the FHAP enforces antidiscrimination laws other than a fair housing law (e.g., administration of a fair employment law), the agency must annually provide a certification to HUD stating that it spends at least 20 percent of its total annual budget on fair housing activities. The term "total annual budget," as used in this subsection, means