

**§ 1944.685**

**7 CFR Ch. XVIII (1–1–12 Edition)**

FmHA or its successor agency under Public Law 103-354 prior to modifying its operation from the approved statement of activities.

(d) Exhibit B of this subpart (available in any FmHA or its successor agency under Public Law 103-354 office) will be used for all extensions on and modifications to the grant agreement.

**§ 1944.685 [Reserved]**

**§ 1944.686 Additional grants.**

An additional HPG grant may be made when the grantee has achieved or nearly achieved the goals established for the previous or existing grant. The grantee must file a preapplication for the current fiscal year which will be processed and compared under the project selection criteria to others submitted at that time.

**§ 1944.687 [Reserved]**

**§ 1944.688 Grant evaluation, closeout, suspension, and termination.**

(a) Grant evaluation will be an ongoing activity performed by both the grantee and FmHA or its successor agency under Public Law 103-354. The grantee will perform self-evaluations by preparing quarterly performance reports in accordance with §1944.683 of this subpart. FmHA or its successor agency under Public Law 103-354 will also review all reports prepared and submitted by the grantee in accordance with the grant agreement and this subpart.

(b) The grant can be suspended or terminated before the grant ending date for the causes specified in the grant agreement. No further grant funds will be advanced when grant suspension or termination procedures have been initiated in accordance with the grant agreement. Grantees may be reimbursed for eligible costs incurred prior to the effective date of the suspension or termination. Grantees are prohibited from incurring additional obligations of funds after notification, pending corrective action by the grantee. FmHA or its successor agency under Public Law 103-354 may allow necessary and proper costs that the grantee could not reasonably avoid during the period of suspension provided they are for eligible HPG pur-

poses. In the event of termination, FmHA or its successor agency under Public Law 103-354 may allow necessary and reasonable costs for an audit.

(c) Grantees will have the opportunity to appeal a suspension or termination under FmHA or its successor agency under Public Law 103-354's appeal procedures under subpart B of part 1900 of this chapter.

(d) The grantee will complete the closeout procedures as specified in the grant agreement.

(e) The grantee will have an audit performed upon termination or completion of the project in accordance with 7 CFR parts 3015 and 3016, as applicable. As part of its final report, the grantee will address and resolve all audit findings.

**§ 1944.689 Long-term monitoring by grantee.**

(a) The grantee is required to perform long-term monitoring on any housing preservation program involving rental properties and co-ops. This monitoring shall be at least on an annual basis and shall consist of, at a minimum, the following:

(1) All requirements noted in §1944.663 of this subpart;

(2) All requirements of the "ownership agreement" executed between the grantee and the rental property owner or co-op; and

(3) All requirements noted in 7 CFR parts 3015 and 3016 during the effective period of the grant agreement.

(b) The grantee is required to make available to FmHA or its successor agency under Public Law 103-354 any such information as requested by FmHA or its successor agency under Public Law 103-354 concerning the above. The grantee shall submit to the FmHA or its successor agency under Public Law 103-354 servicing office an annual report every year while the ownership agreement is in effect. This report shall be submitted within 15 days after the anniversary date or end of the grant agreement. At a minimum, the report will consist of a statement that the grantee is in compliance with this subpart.

(c) All files pertaining to such rental property owner or co-op shall be kept