

# Reimbursing Other HUD Program Costs

NEWSBRIEF

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## ALLOWABLE CDBG COSTS --- REIMBURSING OTHER HUD PROGRAM COSTS

The question has been raised as to whether CDBG funds can be drawn down to reimburse expenses for another grant such as HOME, ESG, etc. The answer is no. The funds are not fungible. Specifically, the CDBG grant agreement (Form HUD-7082, Funding Approval/Agreement) incorporates the grantee's submission for CDBG funds in the Consolidated Plan. If a grantee wants to use CDBG funds for an activity previously contemplated to be funded with other Consolidated Plan monies (and the activity is CDBG eligible), the grantee must amend its Action Plan in accordance with the requirements of the Consolidated Plan regulations at 24 CFR Part 91.