**Grantee Request**

**Transfer of NSP Program Income to Community Development Block Grant (CDBG)**

Date: Grant Number:

Grantee:

1. Amount of un-obligated program income to transfer:
2. Requesting any and all future program income to be transferred to CDBG: Yes or No
3. Activity number(s) associated with the NSP activity(ies) that generated the program income:

1. Attach documentation, such as an Excel spreadsheet, that reconciles NSP program income with internal financial records and DRGR.
2. Provide documentation that your Consolidated Annual Action Plan has been amended to include the transferred funds and how it will be used. Draft amendment is acceptable.
3. LH25 Compliance:

|  |  |
| --- | --- |
| Grant Amount: |  |
| Program Income Obligated/Expended: |  |
| Total: |  |
| 25% of Total: |  |
| LH 25 Requirement Met: |  |

1. Attach any supporting documentation of the LH25 compliance

**Note:** While it is preferred, a grantee does not need to have met their LH25 requirement at the time of program income transfer. However, the local HUD Field Office staff must have a high level of confidence that the requirement will be met as outlined in the NSP Unified Notice (<https://www.hudexchange.info/resource/801/unified-nsp1-and-nsp3-notice-october-19-2010/>)and NSP Closeout Notice (<https://www.hudexchange.info/resource/2737/notice-of-nsp-closeout-requirements-and-recapture/>).

**FOR STATE GRANTEES:**

In addition to providing the documentation listed above, provide documentation that sub-awardee and/or subrecipient agreements have been amended as appropriate. These agreements must include compliance to any and all CDBG rules and regulations.

If State grantees have all un-obligated program income and/or future program income transferred to their own CDBG program from sub-awardees or subrecipients, the funds must be re-allocated using State’s approved method of distribution. Further, the waiver allowing States to directly award NSP funds is no longer applicable when program income is transferred to a State CDBG program.

**ALL GRANTEES:**

The grantee fully understands that by signing this request to transfer un-obligated NSP program income and/or any and all future program income to their CDBG program (if an entitlement community) or to an open State CDBG grant (if a non-entitlement community), the funds take on all the characteristics of CDBG.

**NSP Grantee Signature Date**

**Printed Name and Title**