June 17, 2019

Re: Texas Community Development Block Grant (TxCDBG) program
    2019 Revisions to the Texas CDBG Project Implementation Manual

Dear Stakeholders:

The Texas Department of Agriculture (TDA) has prepared a draft of the 2019 Texas DCBG Project Implementation Manual (2019 TxCDBG Manual). Once the TxCDBG Manual is adopted, effective date September 1, 2019, these new rules will apply to all current contracts.

**Highlights of the draft 2019 TxCDBG Manual**

- Conflict of Interest – All vendors/contactors must disclose conflicts of interest using the Texas Ethics Commission Conflict of Interest Questionnaire per requirements under Chapter 176 of the Local Government Code. See Chapter 2, at 2.1.2 and Appendices B, D, E, F & G.

- Provides for TDA to initiate documents for electronic signature via the DocuSign system. Also, documents with electronic signatures not initiated by TDA may be accepted under limited conditions. See Chapter 2, at 2.1.4.

- Clarify criteria for acceptability of invoices and other support documents required for grant reimbursement or local match credit. Chapter 2, at 2.3.1.

- Re-Evaluation of the Environmental Determination when making changes to Performance Statement (Modifications or Amendments) now requires filling out the new section of the TxCDBG Contract Amendment/ Modification Request Form A1101. Chapter 3, step 9 and Chapter 11 at 11.1.

- Provide guidance on accepting electronic sealed bids per statutory requirements of Ch. 262 counties and 252 cities of the Local Govt. Code. Chapter 5, at 5.4.4.

- Grant Recipients that meet or exceed the $750,000 expenditure threshold, must submit their Single Audit Report to the Federal Audit Clearinghouse (FAC) within nine (9) months after their fiscal year end. The Auditor should notify by email the Grant Recipient’s Chief Elected Official and TDA staff to confirm the submission was completed. See Chapter 14, at 14.2, also a revised Form A1402 Audit Certification Packet.

- New OSSF Guidelines Template and new First-time Service Yardline Guidelines Template, Section CII, forms CII 2 and CII 2.A. Section C, Part II now includes a section on First-time Service Yardlines.
A section on the Small & Microenterprise Revolving Loan Fund Program (SMRF) has been added to the Texas Capital Fund (TCF) chapter. See Section D, at D.3.

TDA welcomes feedback on this draft document. Please send any comments to Sue Short at Sue.Short@TexasAgriculture.gov. The changes listed above and other relevant program information will be included in the 2019 TxCDBG Manual Workshops, beginning in July 2019. Please see the TxCDBG Training page of the TDA website for Workshop details.

Thank you for your efforts to assist rural Texas communities.

Sincerely,

Suzanne Barnard
Director, TxCDBG Programs