
TxCDBG announcement: Updated Form for BABA Compliance, Annual Reporting

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on behalf of
Texas Community Development Block Grant program <cdbg@lists.state.tx.us>
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To cdbg@lists.state.tx.us <cdbg@lists.state.tx.us>

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Updated Form: A400 BABA Compliance Form

Based on additional information and clarification of BABA requirements from HUD, TDA has updated the Form A400 BABA Compliance Form.

- Form A400 now requires the Grant Recipient to identify all materials subject to BABA requirements, even those currently exempted under the current HUD Phased Implementation waiver.
- Options for classifying each item now include:
 - Select "Attached" when submitting the Manufacturer's Certification.
 - Select "Submitted" for subsequent payment requests where the Manufacturer's Certification is already on file with TDA.
 - Select " No, Exempted Phase" if the material is exempted under the HUD Phased Implementation requirements outlined in Chapter 4.
 - Select "No, 5%" if a material is subject to the BABA requirements as outlined in Chapter 4, and the Grant Recipient has designated this material under the de minimus waiver (i.e., less than 5% of total covered material costs, no additional documentation required for BABA compliance).

Note: the 5% de minimus exemption will now be calculated based on all of the reported materials, rather than only those materials covered by the current HUD Phased Implementation requirements.

- Reminder: The items reported are materials / supplies as purchased by the construction contractor (or entity approved for force account construction methods).
- For communities needing assistance with classifying materials, the [Texas Water Development Board has published guidance](#) that may be used as a safe harbor for such determinations.
- BABA requirements apply to TxCDBG grants awarded on or after September 1, 2023, as identified in the grant agreement Special Conditions.

Annual Reporting

TDA is currently preparing multiple annual reports to ensure the program's federal compliance:

- Minority Business Enterprise Report:
 - Please complete Materials and Services Report in TDA-GO for all contracts procured (awarded by local governing body) on or before 9/30/2024.
 - These reports should be submitted by **Friday, October 25**.
 - If the MSR cannot be submitted by this date, the grant administrator must enter all procurement and vendor information by this date – you may include a note that the complete MSR submittal is pending execution of the vendor contract, for example.
- Acquisition of Real Property Report:
 - For any parcel of real property acquired on or before 9/30/2024, please complete the Acquired Parcel page of the TDA-GO Acquisition Performance Report.

- This report must be completed by **Friday, October 25**.
- Single Audit Reports (OCSAR) for FY 2024
 - TDA identified communities that are required to report their compliance with federal Single Audit requirements.
 - An OCSAR report has been created in TDA-GO for these communities. (Note: the fiscal year date is currently being entered by TDA staff for each OCSAR – if your FYE date has changed, or if the reported date is incorrect, please email CDBGReporting@TexasAgriculture.gov.)
 - The OCSAR is due nine months after the community's fiscal year end date – for communities that did not meet the threshold to require a Single Audit for this fiscal year, TDA encourages submitting the OCSAR to confirm this information as soon as possible.
 - Individuals authorized to certify Payment Requests should have access to complete the OCSAR.
- Facility and Equipment Report (OFE) for 2024
 - For communities with completed projects that included construction of new community buildings, purchase of vehicles, or purchase of other equipment identified in a grant agreement special condition requiring reporting, the annual OFE Report has been created in TDA-GO.
 - The OFE must be submitted no later than **December 31, 2024**.
 - Individuals authorized to certify Payment Requests should have access to complete the OCSAR.
 - For questions about the OFE, please email CDBGReporting@TexasAgriculture.gov.