

No-cost Extension

While HUD recognizes that there are acceptable reasons for granting requests for extensions, it has determined that more specific procedures must be in place to prevent over-reliance of extension periods as a means to manage grant performance.

1. Processing Procedures for No-cost Extensions

Requests for project extensions should not be submitted when the tasks in the Statement of Work (SOW) can be completed in a timely manner through more vigilant oversight and management of the FHIP project. A grantee should submit a request in writing for an extension to the Grant Officer and copies to the grant GTR/GTM as soon as it becomes apparent that an extension will be needed, but at least 30-90 days prior to grant expiration date . In addition, requests must provide a justification for the extension. Requests must state the specific length of extension requested. Per 2 CFR Part 200.308, grantees are entitled to a one time extension of the period of performance by up to 12 months. The request for extension must include a justification of why the extension is needed and verify that it is of no additional cost to the Government. If additional time beyond the established date is required to ensure adequate completion of the statement of work or exceptional circumstances warrant, within the funds already made available, the expiration date may be changed if approved by the GO through a grant amendment within GrantSolutions.gov. The new expiration date is approved once the GO issues the signed grant amendment.

2. Extension Request Requirements

Grantees should provide the following items with extension request:

- a. A revised SOW, which includes revised timeframes for task completion or new/additional tasks.
- b. If extension request is for 90 days or more, the grantee is encouraged but not required to revise the SOW to reflect that the draft final report will be submitted 15 days before the end of the extension period and the final report will be submitted by the last day of the extension period.
- c. Revised budget, if the extension will result in modifications to budget line items in the project budget amount that are more than 10 percent of the total budget. (NOTE: It is required that grant extensions on fixed-price grants can only be made where there is no additional cost to the government)

The Grant Officer will not execute a grant amendment until the grantee submits a revised SOW and the budget documents described above. HUD reserves the right to deny requests for extensions if:

- a. **requests are made less than 30 days before project expiration;**
- b. **requests are made solely to expend the balance of fixed-price grant award funds**
- c. **the request fails to provide adequate justification for an extension is necessary.**