
CHAPTER 1. INTRODUCTION

- 1-1. PURPOSE. This Handbook provides guidance to Area Offices in conducting reviews of the Grantee Performance Reports submitted by Community Development Block Grant (CDBG) entitlement communities on forms HUD-4950.1 through HUD-4950.10p and in following-up on apparent performance problems identified during those reviews.
- 1-2. AUDIENCE. This Handbook is for the use of all Area Office staff involved in reviewing Grantee Performance Reports from entitlement communities. The Area Office Manager should determine which Divisions, in addition to the Community Planning and Development Division, will conduct reviews described in the Handbook.
- 1-3. REVIEW OBJECTIVES. The reviews described in this Handbook should be used by Area Offices to identify apparent performance problems, prepare for on-site monitoring visits, determine the status of performance problems previously identified which remain unresolved, and assess the need for technical assistance. These reviews are conducted in partial fulfillment of the requirements of Section 104(d) of the Housing and Community Development Act of 1974, which requires that HUD review the performance of each recipient of a Community Development Block Grant at least annually and make determinations of whether:
- a. the recipient has carried out a program substantially as described in its application for funding,
 - b. the program, as carried out, conforms to the requirements of Title I of the Housing and Community Development Act of 1974 and other applicable laws, and
 - c. the grantee has a continuing capacity to carry out its approved Community Development Program in a timely manner.
- 1-4. REVIEW FINDINGS. It is important to remember that the GPR reviews are not intended to result in final conclusions about the grantee's performance. Rather, time reviews are designed to identify apparent problems which should be followed-up with on-site monitoring, discussion, negotiation, or technical assistance. The purpose of these follow-up actions is to try to reach a mutual understanding of the apparent problem and undertake appropriate actions which will satisfactorily resolve the apparent problems in a manner that preserves local discretion as much as possible. However, if these efforts are unsuccessful, it may be necessary to take appropriate actions in accordance with 24 CFR 570.910 through 570.913, "Corrective and Remedial Actions," "Reduction of Annual Grant," "Nondiscrimination Compliance," and "Other Remedies for Noncompliance."
-

1-5. GPR DUE DATE.

- a. Metropolitan Cities and Urban Counties. Each metropolitan city or urban county entitlement recipient which receives a subsequent entitlement grant, is required to submit a performance report to HUD no later than the end of the second month of each program year as prescribed by 24 CFR 570.906 (a)(1) . See Appendix 2 for a copy of the Grantee Performance Report regulations.
- b. Recipients Not Receiving Subsequent Entitlement Grants. Each entitlement recipient which does not receive a subsequent entitlement grant shall annually submit a performance report to HUD until all projects and activities previously funded with entitlement grant funds have been reported as completed as prescribed in 24 CFR 570.906 (a)(2) . The GPR is due no later than sixty days after the anniversary date of the start of the program year for which the last entitlement grant was received.
- c. Waiver of Due Date. The Area Manager may waive the submission deadline of a GPR for a period not to exceed two calendar months, pursuant to the Redefinition of Authority published in the Federal Register on August 2, 1978, (see Appendix 22 in HUD Handbook 6503.1, "Reviewing and Processing Community Development Block Grant Entitlement Applications," for a copy of the redelegation).

- 1-6. TIMING OF GPR REVIEWS. The Area Office should review the Grantee Performance Report for completeness and internal consistency within five (5) days after its receipt. All necessary corrections should be received from the grantee no later than thirty (30) days after the original submission. The substantive reviews described in Chapters 3 through 10 of this Handbook should be completed within sixty (60) days after the GPR has been determined to be complete. Finally, follow-up actions, either on-site monitoring or a written summary, should take place as soon as practicable following completion of the substantive reviews (see Chapter 11.)