

Module 10

Performance Measurement/ Integrated Disbursement and Information System (IDIS) /CDBG Annual Performance Plan Goals



PERFORMANCE MEASUREMENT/IDIS/ CDBG ANNUAL PERFORMANCE
PLAN GOALS

GOAL: To provide participants with an understanding of HUD's emphasis on performance measurement, IDIS and the CDBG annual performance plan goals.

OBJECTIVES: Participants will be able to understand:

1. the history/background of the Performance Measurement initiative and current status.
2. the Fiscal Year (FY) 2007 Performance Measurement Results.
3. the Annual Performance Plan (APP) Goals
4. the 2007 APP results
5. how to work with States to Improve Data Quality including the use of data cleanup worksheets
6. the Progress on the Re-engineered IDIS system

TIME: One hour and 30 minutes

Handouts/background: PR 83 Report

I. Performance Measurement

A. History and Background

Performance Measurement is an organized process for gathering information to determine how well programs and projects are meeting needs, and then using that information to improve performance and better target results.

HUD began work on a formal performance measurement system in 2005, however this was not the first time measuring program performance was undertaken. In fact, there are several statutory and regulatory requirements pertaining to Performance Measurement. Some of them are listed below:

- Section 104(e) of the Housing and Community Development Act of 1974, as amended.
- The Government Performance and Results Act (GPRA) of 1993
- The Consolidated Plan regulations at 24 CFR part 91

The Program Assessment Rating Tool (PART) is used by the Office of Management and Budget (OMB) to rate the effectiveness of Federal programs. The results may influence recommendations for future appropriations. The PART contains 28 questions that are designed to assess program performance in four main areas:

1. The Program's Design and Purpose are Clear and Defensible
2. Strategic Planning: Whether the agency sets valid annual and long-term goals for programs
3. Management of Programs, including financial oversight and program improvement efforts
4. Results that programs can report with accuracy and consistency.

The CDBG Program was reviewed in FY 04 and was rated *ineffective*, however, this may not have been an accurate reflection of the program due to the incompatibility of the PART questions and the flexibility of the CDBG

program. It is difficult to use the PART in evaluating a flexible block grant program like CDBG.

The Strengthening America's Communities Initiative (SACI) was introduced by the Administration in 2005 with the intent to transfer several federal programs several to the Department of Commerce. This did not happen. The release of the formula study (mentioned below) and the increased emphasis on program performance is thought to have convinced the Administration to keep the CDBG program at HUD.

The "CDBG Formula Targeting to Community Development Need" study was released in February of 2005. The purpose of this study was to determine if the CDBG formula still targeted to community development need. The recommendation from the study was that "serious consideration should be given to changing the CDBG allocation formula so that it better targets to community development need."

The study can be reviewed by accessing the following website:

<http://www.huduser.org/publications/commdev/cdbgAssess.html>

The previous information is provided as background to explain how this contributed to CPD's development and implementation of a Performance Measurement System. CPD began work on the system in 2005 and its use became mandatory on October 1, 2006.

The Performance Measurement System was developed to provide CPD grantees with a standardized methodology and system to measure the outcomes of CDBG and other formula grant programs. Given the Federal requirements to measure program performance and the strong competition for available Federal resources, CPD and its grantees must be able to demonstrate how CPD programs benefit low-income families and communities. To meet these requirements, the system was developed through a collaborative effort between CPD, grantee interest groups and OMB. The system is designed to meet both federal and local level needs to demonstrate the CDBG program's accomplishments, including:

1. Providing clear evidence of program results/outcomes at a national level;
2. Providing grantees with performance information that they can use to inform local officials and the public about the results of their programs; and
3. Informing grantee decisions about program design and implementation

In designing the system, the CDBG statute was reviewed to design the performance measurement program objectives and outcomes. The three overarching objectives from Sec 101(c) of the Housing and Community Development Act were used as the performance measurement activity objectives.

The objectives are:

Providing Decent Affordable Housing
Creating Suitable Living Environments
Creating Economic Opportunities

The outcomes fit into each objective:

Availability/Accessibility
Affordability
Sustainability

Each CDBG Activity would have one outcome and one objective as assigned by the grantee. Three objectives each with three possible outcomes = 9 possible groups of outcomes to represent the activities of the formula grant programs. The most important aspect of this system, however, was the 17 output indicators (categories) that typify most activities (type of job, availability of health insurance benefits, the persons formerly unemployed, whether the home meets Section 504 standards, whether the improvements meet energy star standards, whether the public improvements or public services provide new access, improved access, or access to a facility/service that is no longer substandard, etc.

Implementation Timeline for Performance Measurement

- Performance Measurement was developed/approved by a working group consisting of public interest groups, HUD and OMB
- HUD issued a proposed framework on June 10, 2005
- Regional Feedback sessions in the Summer of 2005
- Final Notice issued March 7, 2006
- New IDIS screens available Spring, 2006
- Final (mandatory) implementation in October, 2006

B. First Year Performance Measurement Results (October 1, 2006-September 30, 2007)

- First Year Results; solid but not outstanding
- Provided a road map to the issues
- Grantee Data entry issues
- States need to use IDIS to report all performance measurement information

Data Limitations

- Learning curve for grantees
- Incorrect program year listed
- Incomplete reporting
- Grantee misunderstanding of terms/ definitions (e.g. energy star)

C. Outcome Statements

Outcome statements demonstrate how an activity met a program outcome and how it served an objective—either by increasing accessibility, affordability or sustainability. A few examples are listed below.

Public Facilities

- Over **19 million** persons were assisted with some level of access to a public facility or type of infrastructure.
- Nearly 48% of these persons had improved access to a facility, while 32% had new access to the facility and 20% had access that is no longer substandard). What this means is that CDBG is most often used to renovate facilities or improve access to a facility or infrastructure in lieu of constructing a new structure. Thus, CDBG is contributing/encouraging the use of existing facilities and infrastructure to a greater extent than providing new access.

Business Assistance

- 34,014 businesses received CDBG assistance;
- 76% of all business assistance resulted in the creation or retention of jobs;
- 36% of all business assistance was for new or a start-ups businesses;
- 64% of all business assistance was for existing businesses;
- 19% of all business assistance was for providers of goods or services; and

- 5% of all business assistance was for commercial or façade improvements.

Outcomes

- Grantees reported that more than 15,000 or about 45% of the assisted businesses provided employment opportunities that resulted in permanent jobs leading to a more sustainable community;
- Grantees reported that more than 17,000 or about 50% of the assisted businesses contributed the sustainability of a suitable living environment;
- Grantees reported that almost 20,000 or 56% of the assisted businesses provided new opportunity and access to more decent and affordable housing;
- Grantees reported that more than 8,000 or 24% of the assisted businesses made commercial or façade improvements that helped to expand their delivery of goods and services resulting in the sustainability of a more suitable living environment and increased economic opportunity.

Job Creation and Retention

- Close to 39,000 jobs were created or retained by assisted businesses;
- More than 4 out of 5 jobs were newly created;
- 34% of new jobs were filled by sales, service workers, professional, office and clerical workers, and technical workers;
- 20% of new jobs were filled by skilled or craft workers, or semi-skilled workers;
- Of retained jobs, 23% were semi-skill jobs;
- Almost 6,000 new jobs were filled by previously unemployed individuals;
- Over 12,000 jobs provided health-care benefits;
- Of the 39,000 jobs created or retained, 81% created new economic opportunity for greater access to jobs and greater community sustainability; and,
- The remaining jobs, or approximately 19%, improved community access to a suitable living environment and opportunities for maintaining decent affordable housing.

The IDIS PR 83 report is used as the source for the data.

II. Integrated Disbursement and Information System (IDIS)

IDIS is the computer system that grantees use to enter activities, accomplishment data and draw down funds.

- COBOL based system
- Plans for re-engineering began several years ago
- For States the ability to run the PER (part I) out of IDIS is an important part of the re-engineering
- New Matrix codes for state administration and planning
- Schedule calls for re-engineered system to roll-out starting in October
- No training funds available—states and grantees need to use UAT to learn how to use the system

III. Discussion of Annual Performance Plan (APP) Goals

CDBG Annual Goals

- What are the CDBG APP Goals?
 1. Owner occupied Rehabilitation
 2. Homeownership Assistance
 3. Jobs Created and Retained
 4. Rental Housing Rehabilitation
- Other goals (% low/mod, % of completed activities reporting accomplishments)

What is missing from this list?

How Are APP Goals Set?

- Based on last year's performance
- Appropriation levels
- Inflation
- Spend out rates

How did the CDBG Program Fare in FY 2007?

Indicator (CDBG wide)	Goal	Actual
Owner Occupied Rehab	127,583	117,830
Homeownership Assistance	7,400	6,919
Renter Occupied Rehabilitation	37,032	26,358
Jobs—Created and Retained	54,287	39,123

Possible Reasons for missing goals

- Goals possibly too high, e.g. construction costs have increased
- Numerous data entry issues by grantees (incomplete/inaccurate)
- Push to close out activities prior to 10/1/2006

2008 Goals and Progress as of Third quarter 2008

Indicator (CDBG wide)	2008 Goal	Progress as of third quarter (6/30)	Progress to date
Owner Occupied Rehab and Homeownership Assistance	120,936	69,825	58%
Renter Occupied Rehabilitation	25,552	12,525	49%
Jobs—Created and Retained	37,927	20,996	55%

Improving Data Quality

- Why is good data important
- Need your help in assuring that grantees
 1. Report on data in IDIS often, at least annually, but prefer quarterly
 2. Provide Accomplishments
 3. Do not skip IDIS data entry screens (will not get performance measurement screens)

Common Data Errors

- Incorrect matrix codes (e.g. mixing up housing counseling w/ down payment assistance)
- Skipping screens
- Failure to enter beneficiary data which triggers performance measurement screens
- Review Data clean-up worksheets for your grantees—good clue as to issues

Data Clean-Up Worksheet Information

Phase 1 -- missing accomplishment data

Phase 2 -- incorrect matrix code and national objective combinations

Phase 3 -- inaccurate or inconsistent accomplishment data

Phase 4 -- missing Organization Name on the CDBG03 screen (only activities with a status of Funds Budgeted or Underway during FY 2005 or FY 2006 or that were completed during those federal fiscal years)

Phase 5 -- incomplete reporting of annual accomplishments for LMH and LMJ activities

Phase 6—LMH and LMJ Activities with Expenditures but No Accomplishments Reported During a Specified Program Year

Phase 5 is new as of March 2008. The CDBG program needs complete annual accomplishment data for all LMH and LMJ activities in order to accurately report on the program's annual accomplishments and performance measures and ensure accountability. Phase 5 identifies activities for which only partial accomplishment data is reported for a given program year. For both LMH and LMJ activities, the screens with the missing accomplishment data are also those that trigger the performance measurement screens for these types of activities. This means that for the activities listed in Phase 5, the CDBG program is missing valuable accomplishment data and all performance measurement data. For the specified program year, please report the required accomplishment data on the CDBG08 screen for LMH activities and the CDBG11 screen for LMJ activities. Then enter your performance measurement data on the performance measurement screens that are displayed. It is important to note that for all of these screens you must insert the correct program year before entering the data. Failure to do so will result in an undercounting of your accomplishments and performance measures for the specified program year and will also be reflected in lower national totals for the CDBG program.

Phase 6 is new as of August 2008. The purpose of this phase of the data cleanup is to ensure that, for LMH and LMJ activities, grantees have not overlooked entering accomplishments and performance measures in IDIS. It is critical that all accomplishments achieved during a program year be reported in IDIS on a timely basis. This phase lists all LMH and LMJ activities for which funds were expended during the most recent or the current program year and for which no accomplishments or performance measures were reported. The CDBG program recognizes that some of these activities may not have any accomplishments during the program year. In that case, no action is required. However, if an activity achieved accomplishments for any of the activities listed in Phase 6, those accomplishments and their performance measures should be entered in the correct program year as soon as possible. This phase is intended to assist grantees in their reporting efforts and ensure accomplishments achieved with CDBG funds are fully reported in IDIS. Reporting of accomplishments and performance measures in IDIS is the only way HUD and our stakeholders have to measure the results of the CDBG program. Incomplete reporting results in the undercounting of your efforts to assist low- and moderate income persons across the country and fails to demonstrate the full value of the CDBG program.

Information on Data Clean-up Worksheets:

The URL listed below contains the individual state worksheets for data cleanup:

<http://www.hud.gov/offices/cpd/communitydevelopment/cleanup/index.cfm>