



Reporting and Recordkeeping



Background and Framework

HCDA 104(e) / 24 CFR 570.493

HUD – Annually Determine States:

Distributed Funds to UGLG (Timely)

Followed MOD/Consolidated Plan

**Complied with Certifications, Statute,
Regulations, other Authorities**

Reviewed UGLGs to Determine –

- Carried out Activities in Timely Manner
- Complied with Certifications and Requirements
- Maintain Capacity to Administer CDBG Funds



Recordkeeping Requirements

Summary:

The State shall establish adequate recordkeeping requirements for itself and UGLGs to allow HUD (and the State) to carry out our responsibilities.



Recordkeeping Requirements

§ 570.490

State Records

States and HUD will Jointly Agree on Required Records

States will Establish and Maintain Records including records on funding decisions under their MOD

UGLG Records

States will Establish Recordkeeping Requirements for UGLGs

Both State and UGLG Records

Will Include Racial, Ethnic, and Gender Data on Applicants, Participants, Beneficiaries and Cross-cutting records



Model Recordkeeping Requirements

Represented Agreement Pre-1992

Most Current Guidance

Contained in State Guide

Don't Address More Current

**Developments like Public Benefit,
IDIS**

New Guidance Underway!



§570.490(d) – Record Retention

**States/UGLGs keep Records Greater of:
Three years from closeout of HUD's grant
with the State**

Other Specified Periods

- §570.487, Other Applicable Laws
- §570.488, Displacement, Relocation, etc.

**Records related to any open audits, reviews,
or investigations should be retained**



§570.490(c) – Access to Records

HUD, IG, and GAO have Access Rights to All Records

State will Provide Citizens with Reasonable Information about Past Use of CDBG Funds

§91.115(g) Con Plan – State's Con Plan Must Provide Access to Con Plan Records and Past 5 Year's Use of Funds



Failure to Document vs. Failure to Comply

§570.493(b) – “A State’s failure to maintain records . . . MAY result in a finding that the State has failed to meet the requirement to which the record pertains.”



Summary

States keep records of local governments & local governments keep records of grant recipients.

States keep records for 3 years after the fiscal year of their grant, OR 3 years after closeout of the grant for that fiscal year, whichever is longer.

Other applicable laws may require certain types of records to be retained longer.



Reporting Requirements - §570.491

States will submit an annual performance and evaluation report, consistent with the requirements of 24 CFR Part 91 (Consolidated Plan)



Reporting Requirements - § 91.520

General

**Progress in Carrying Out Con Plan and
Annual Action Plans**

**Description of Resources and Investment
Geographic Distribution**

Families and Persons Assisted

**Actions Taken to Affirmatively Further Fair
Housing Compare proposed vs. actual
outcome measure**

Proposed vs. Actual Outcomes



Reporting Requirements - § 91.520 (c)

CDBG

CDBG Fund Use During Program Year

Assessment of Usage versus Plan Objectives

**Nature of/Reasons for Changes and Planned
Changes**

**Number of Extremely Low, Low, and
Moderate-income Persons Served to
Support Eligibility and National Objective
compliance (Section 8 Low-Mod Income
definitions)**



Performance Report

Timing and Due Dates:

- State establishes its' program year cycle
- Report due to HUD FO no later than 90 days after the end of the program year.
- Must be received by HUD on a business day.



Program Year, Reporting, and Grants Management Cycle

Day 1 - Program Year Begins

Day 75 - Prior CAPER Available to Citizens

Day 90 - CAPER Due to HUD, Review and Assessment Begin

Day 150 - HUD sends Review Letter to State

Day 180 - State Comments on Review

Day 210 - HUD Finalizes Review, Available to Citizens

Day 285 - New Con Plan Available to Citizens

Day 315 - New Con Plan Due to HUD



What Do Program Reports Contain?



CAPER

Annual report

**4 Formula grant programs (CDBG,
HOME, ESG, HOPWA)**

**Due to HUD within 90 days after
the end of the program year.**



PER

**State CDBG portion of the CAPER
Annual report**

Reporting on projects/activities that are still open for a given fiscal year's allocation (FY grant).

Two Parts:

1) Financial status summary & NO compliance for each open grant.

2) Narrative on Strategic plan & Action Plan for program year.

CPD Notice 07-06(a)



IDIS

Reporting System

Funding Data and Program Activity Database

**Used to Access Grant Funds & Report
on Accomplishments**

**Info used on HUD Reports to Congress
& Monitor Grantees**



Field Review Guidance

**Con Plan Regs, §91.520 – list
CDBG performance report
requirements**

**CPD Notice 07-06(a) – PER
guidance & review checklist**



Closing Out State CDBG Grants

Both HUD and State staff must make the necessary reviews and audits to ensure that statutory and regulatory requirements have been met prior to closing a State CDBG grant.



General Criteria for Closing out State CDBG Grants

Grant may be closed when all of the following have been met:

State has disbursed all CDBG funds included in the Method of Distribution for the FY whose grants are to be closed out except for funds remaining for State Administration and audit.

Compliance with Section 104(e)(2)

Recipients have completed all activities & expended funds received.

The audit covers all funds in the allocation to be closed and there are no open monitoring and audit findings



Financial Review

CPD Field Office must confirm that the 15% public services cap and 20% planning and administration cap are not exceeded

Administrative costs and technical assistance combined cannot exceed 3%

State has met the required match for admin

Program Income – tracking system



Preparation of Financial Status Report

State completes the Financial Status Report and it is sent to HUD within 30 days after the State has satisfied the criteria for closeout of the grant

State chooses the format pursuant to

24 CFR 570.489(d)(2); must contain certain items.



HUD Review of Financial Report

HUD reviews the form and prepares a letter or certification signed by Director of CPD for the Fort Worth Accounting Center



Proposed Changes to the Close-Out Procedures

New Close-Out Notice will include:

- 1) Format to enable States to close-out grants from FY 1982 – FY 2005**
- 2) Streamlined procedures for grant close-outs beginning with FY 2006 grants**
- 3) Format includes verification process & certification that funds properly spent;
all aspects of program completed in timely manner**



Conclusion

States Benefit by Closing Out Grants:

- Accounts for CDBG funds
- Determines applicable dates for record retention
- Eliminates burden of submitting PERs for grant years that are closed out.