

## CHAPTER 6

### DISASTER RECOVERY COMMUNITY DEVELOPMENT BLOCK GRANT SUPPLEMENTAL GRANTS

- 6-1 APPLICABILITY. This chapter is applicable to monitoring Community Development Block Grant (CDBG) supplemental grants made to states and local governments for Federally-declared disaster areas.
- 6-2 RULES AND NOTICES. The covered disaster recovery grants are made from CDBG supplemental appropriations, so the basic requirements are the same for disaster recovery grants as for the regular CDBG Entitlement and State programs. The same risk analysis and monitoring Exhibits are to be used for oversight of a disaster recovery state or local government program participant as are applicable for a State CDBG or CDBG Entitlement program participant.

When HUD grants waivers or makes modifications to the supplemental grant rules, these changes are published in a Federal Register Notice. (HUD does not waive or modify financial management, environmental, labor, or civil rights requirements.) The published Notices for the 1997, 1998, 1999, 2001 and 2005 grants are:

**1997 Appropriation ("MU", "NU", "DU" grant numbers)**

- Notice FR-4254-N-01, published September 8, 1997
- Notice FR-4254-N-03, published June 29, 1998

**1998 Appropriation ("DD" grant numbers)**

- Notice FR-4398-N-01, published October 22, 1998
- Notice FR-4398-N-02, published October 22, 1998
- Notice FR-4398-N-03, published March 10, 1999
- Notice FR-4398-N-04, published September 3, 1999

**1999 Appropriation ("DK" and "RK" grant numbers)**

- Notice FR-4482-N-01, published December 28, 1999
- Notice FR-4482-N-02, published December 28, 1999

**2001 Appropriations ("DW" grant numbers)**

- Notice FR-4732-N-03, published March 18, 2002
- Notice FR-4732-N-04, published May 22, 2002
- Notice FR-4732-N-05, published May 16, 2002
- Notice FR-4732-N-06, published April 12, 2004

**2005 Appropriation ("DJ" grant numbers)**

- Notice FR-4959-N-01, published December 10, 2004

6-3 REPORTING REQUIREMENTS. Ongoing monitoring of a disaster recovery program participant includes Field Office review of periodic reports. Three types of reports are required:

- Quarterly reports in the online Disaster Recovery Grant Reporting (DRGR) system are due within 30 days after the end of each calendar quarter.
- Annual financial summary reports in DRGR due with each fourth quarterly report. (In mid 2005, a new DRGR release merges the financial summary report data elements into the quarterly report. From the date of that release, a separate annual financial summary report is no longer required.)

6-4 SANCTIONS. In some instances, the exhibit in this Chapter refers the HUD reviewer to a controlling document and does not provide specific citations. This is because rules can vary significantly from appropriation to appropriation, causing the grant agreements and published Notices to vary accordingly. HUD reviewers, therefore, will need to ensure that program violation citations are appropriately noted, if deficiencies are identified.

6-5 CLOSEOUTS. One key difference between CDBG disaster recovery grants to local governments and the main CDBG Entitlement Program is that all disaster recovery grant programs end and must be closed out. (All grants to states, in both the CDBG State program and the disaster recovery supplemental grants, also close out.) Disaster recovery grant closeout is guided by Notice CPD-98-03 for grants to states and governed by 24 CFR 570.509 for grants to entitled cities or counties. There are no standard forms for closeout, but acceptable sample forms are available on HUDWeb. Before initiating a close-out, Field Office staff should contact staff in the Headquarters' Office of Block Grant Assistance who work on CDBG supplemental appropriations for disaster recovery.