



U. S. Department of Housing and Urban Development
Washington, D.C. 20410

OFFICE OF LEAD HAZARD CONTROL

POLICY GUIDANCE NUMBER: 96-02	DATE: May 02, 1996
SUBJECT:	Revised Grantee Quarterly Reporting Requirements
STATUS:	Current
APPLICABILITY:	All grant rounds.
RELATED GUIDANCES:	Policy guidance 94-01, 97-03.
COMMENTS:	

Dear Lead-Based Paint Hazard Control Grantee :

Enclosed please find a revised copy of our April 25, 1996 letter to you regarding revised reporting requirements. Please substitute this document for the April 25 one.

We are sending this revised copy because we discovered that several grantees received packages that were either incomplete or out of order. In correcting that, we took the opportunity to make some small typographic corrections throughout.

We apologize for any inconvenience.

Sincerely,

Ellis G. Goldman
Director, Program Management Division



U. S. Department of Housing and Urban Development
Washington, D.C. 20410

OFFICE OF LEAD HAZARD CONTROL

Dear Lead-Based Paint Hazard Control Grantee:

The purpose of this letter is to inform you of changes in grantee reporting requirements and to provide a handy summary of reports and forms that grantees are required to submit to this office. As part of HUD's continuing effort to streamline its programs and to expedite your hazard control efforts and expenditures, certain reporting requirements are being suspended or modified in order to make your paperwork less burdensome.

- Effective immediately, all progress reports shall be submitted on a quarterly, calendar year basis rather than a monthly basis. Due dates are 30 days after the end of each calendar year quarter. We will continue to conduct monthly telephone inquiries of cumulative totals of units tested, completed (passed clearance) and units in progress.
- The requirement for an Annual Report is eliminated.
- The submission of an Abatement Plan prior to commencing the abatement/hazard reduction phase is no longer required. Of course, all aspects of your lead-hazard control effort must continue to be carried out in accordance with the grant agreement, requirements of the NOFA and applicable State and local laws especially Environmental Review 24 CFR Part 58 Subpart J-Release of Funds (form HUD-7015.15).

Your grant agreement will be modified accordingly to reflect these changes.

We recognize that the timelines presented in the accompanying materials represent a typical grantee and that there will be some variation in the performance periods and reporting requirements, either because some grantees have amended longer performance periods or because of delays in implementing programs. Please consult with your Government Technical Representative (GTR) regarding this or any questions related to the submission of the reports/forms. We hope that this summary will help facilitate your timely response to the reporting requirements.

Sincerely,

A handwritten signature in black ink, appearing to read "Ellis G. Goldman".

Ellis G. Goldman
Director, Program Management Division

REPORTS SUBMISSION TIMETABLE

This is a chronological summary of reporting requirements. Discussion of these requirements in more detail follows this summary (See "Rounds One, Two and Three Reports/Form Preparation").

MONTH 1 - BEGIN PLANNING PHASE (Months 1-6)

(See "A" on Reports Submission Timeline, attached).

A maximum of 5 percent to 10 percent of the total grant amount is available as a drawdown for planning purposes at any time after the effective date of the negotiated grant agreement. This may be drawn down in one lump sum or incrementally during the planning phase. This request includes:

- LOCCS Voucher HUD-27053
- Cost Element Breakdown of Federal Fund Expenditures
(See Attachment 1 for sample format).

MONTH 2 - CONTINUE PLANNING PHASE

(See "B" on Reports Submission Timeline, attached).

Due within 60 days after the effective date of the negotiated grant agreement:

- Project Baseline Management Plan (HUD-441.1)
- Work Plan
- Contractor Certification Statement

Note: Both the Contractor Certification Statement and the Request for Release of Funds (form HUD 7015.15, see month 6 below) are due **BEFORE** any lead-hazard control activities can begin).

MONTH 4 - CONTINUE PLANNING PHASE

(See "C" on Reports Submission Timeline, attached).

The first Quarterly Progress Report is due 30 days after the completion of the first full calendar year quarter. Quarterly Progress Reports will continue to be due 30 days after the completion of the first complete calendar year quarter and each calendar year quarter thereafter throughout the duration of the grant. Due dates are on or before April 30, July 30, October 30, and January 30. The first Quarterly Progress Report includes:

- HUD-661.1
- Narrative Progress Report

The first Financial Report is also due within 30 days after the end of the first complete calendar year quarter and each calendar year quarter thereafter throughout the duration of the grant (not required of Round One grantees). Although the due dates of the Financial Report are the same as for the Quarterly Progress Report, it is described here separately because it is often prepared and submitted separately from the Quarterly Progress Report. Throughout the duration of the grant, the Financial Report includes:

- Financial Status Report (SF-269)
- Cost Element Breakdown of Matching Fund Expenditures or Matching Funds Breakdown (See Attachment 1 for sample format).

MONTH 6 - COMPLETE PLANNING PHASE

(See "D" on Reports Submission Timeline, attached).

The submission of an Abatement Plan is no longer required. The grantee is expected, however, to maintain written procedures and requirements for the proper inspection, enrollment, and lead hazard control work for all units treated in conformance with the Grant Agreement, HUD NOFA, Lead Office Policy Guidance Issuances (See Attachment 4 for index), and applicable State and local laws.

The Request for Release of Funds (form HUD-7015.15) is due **BEFORE** any lead-hazard control activities can begin.

MONTH 7 - BEGIN LEAD-HAZARD CONTROL PHASE (Months 7 - 24)

(See "E" on Reports Submission Timeline, attached).

- ◆ The monthly progress report, formerly required during the lead-hazard control phase, is now replaced by the Quarterly Progress Report which continues to be due 30 days after the completion of each calendar year quarter. (See "C" for months 8- 36 on the Reports Submission Timeline, attached). The Quarterly Progress Report now includes:
 - HUD-661.1
 - Narrative Report
 - Program Activity Summary Report (See Attachment 3 for sample format)
- ◆ LOCCS drawdowns for reimbursement of lead-hazard control activity expenditures may begin if you have received written notification from HUD of the receipt and acceptance of the Statement of Certification, and the Request for Release of Funds (form HUD-7015.15).
- ◆ Financial Reports continue to be submitted 30 days after the end of each calendar year quarter (not required of Round One grantees).
- ◆ Each grantee is asked to submit form HUD-60002, Economic Opportunities for Low- and Very Low-Income Persons (Section 3), by January 10 of the first full calendar year, and annually by January 10 of each year thereafter until the project is completed. For a copy of form HUD-60002 and instructions on completing the form, see the Lead Office Policy Guidance Issuance dated April 14, 1995. (See "F" on the Reports Submission Timeline, attached).

MONTH 25 - BEGIN POST LEAD-HAZARD CONTROL TESTING AND FOLLOW-UP

(Months 25-36)

(See "G" on the Reports Submission Timeline, attached).

The submission of the Quarterly Progress Report continues, on or before 30 days after the completion of each calendar year quarter during post abatement activities. These reports still include:

- HUD-661.1
 - Narrative Report
 - Program Activity Summary Report (see Attachment 3 for sample format)
- ◆ Financial Reports continue to be submitted on or before 30 days after the end of each calendar year quarter (not required of Round One grantees).

- ◆ Form HUD-60002, Section 3, due January 10.

MONTH 37 AND 36 - PREPARE AND SUBMIT FINAL REPORT

(See "H" on Reports Submission Timeline, attached).

The Final Report is due within 60 days after the end of the grantee performance period.

The Final Report includes:

- HUD-661.1 with Narrative Report
- Financial Status Report (SF-269) with Cost Element Breakdown of Matching Funds; Expenditures (Neither required of Round One grantees; See Attachment 1 for sample format).
- Final LOCCS voucher (HUD-27053) including Cost Element Breakdown of Federal Funds Expenditures (See Attachment1 for sample format).
- Final HUD-60002, Economic Opportunities for Low- and Very Low-Income Persons (Section 3).

REPORTS SUBMISSION TIMELINE

Month-by-Month Reporting Requirements																			
	1	2	3	4	5	6	7	8	9	10	11	12 1 Year	13	14	15	16	17	18	19
A	●																		
B		●																	
C				●			●			●			●			●			●
D						●													
E							●												
F													●						
G																			
H																			

A - Month 1/Begin Planning Phase
(Months 1-6)

- ▶ Submit LOCCS Voucher (HUD-27053)
- ▶ Federal Funds Breakdown

B - Month 2/Continue Planning Phase

- ▶ Submit HUD-441.1
- ▶ Submit Work Plan
- ▶ Submit Contractor Certification Statement

C - Month 4/Continue Planning Phase

- ▶ Submit Quarterly Progress Report (actual due dates are April 30, July 30, October 30, January 30)
 - HUD-661.1
 - Narrative Report
 - ▶ Submit Financial Report
 - SF-269
 - Matching Funds Breakdown
- (Continue to submit all four documents quarterly throughout the Performance Period plus Program Activity Summary Report once hazard control begins)

D - Month 6/Continue Planning Phase

- ▶ Submit Request for Release of Funds
 - HUD-7015.15

E - Month 7/Begin Lead Hazard Control Phase (Months 7-24)

F - Submit HUD-60002, Section 3 - Due January 10

Month-by-Month Reporting Requirements

	20	21	22	23	24 2 Years	25	26	27	28	29	30	31	32	33	34	35	36 3 Years	37	38
A																			
B																			
C			●			●			●			●			●				●
D																			
E																			
F						●													●
G						●													
H																			●

C - Month 4/Continue Planning Phase

- ▶ Submit Quarterly Progress Report (actual due dates are April 30, July 30, October 30, January 30)
 - HUD-661.1
 - Narrative Report
- ▶ Submit Financial Report
 - SF-269
 - Matching Funds Breakdown
(Continue to submit all four documents quarterly throughout the Performance Period plus Program Activity Summary Report once hazard control begins)

F - Submit HUD-60002, Section 3 - Due January 10

G - Month 25/Begin Post Abatement Testing & Follow-Up (Months 25-36)

H - Month 38/Submit Final Report

- ▶ Final HUD-661.1 with Narrative Report
- ▶ Final SF-269 with Matching Funds Breakdown
- ▶ Final LOCCS voucher (HUD-27053) with Federal Funds Breakdown
- ▶ Final HUD-60002, Section 3

ROUNDS ONE, TWO AND THREE REPORTS/FORM PREPARATION

(1) The Line of Credit Control System (LOCCS), Voice Response System (VRS), Access Authorization for Grant Payment (Form HUD-27053).

Upon execution of the grant agreement, you are authorized to drawdown a maximum of either 5 percent or 10 percent of the total grant amount for administrative/planning purposes¹. To receive approval for a drawdown of funds for the lead-hazard control phase, you must submit to this office a Request for Release of Funds (form HUD-7015.15), and a statement certifying that only State-certified lead-based paint contractors will be used in the program. Instructions for accessing LOCCS were forwarded to you along with the four signature copies of the negotiated grant agreement.

Each request for a LOCCS drawdown requires the submission of a voucher (form HUD-27053) to this office for approval before the funds are disbursed to your established account. **Each voucher must be accompanied by a breakdown of Federal grant funds expended, by cost element, for the requested voucher amount and the cumulative amount that has been expended to date.** (See Attachment 1 for a sample breakdown sheet).

Vouchers must be submitted for approval on a **cost-reimbursable basis**, except for the 5 percent or 10 percent planning funds which can be secured on an advance basis.

(2) A detailed Project Management Baseline Plan form HUD-441.1, and a narrative Work Plan, are due to this office within 60 days after the effective date of the negotiated grant agreement. Grantees are encouraged to submit these documents as soon as possible.

(A) The form HUD-441.1 should list the major tasks/activities, the budget amount for each task/activity, and the expected completion date for each task/activity agreed upon during the final grant agreement negotiation. The task/activities include:

- 1) Administrative (not to exceed 10 percent)
- 2) Community education;
- 3) Data collection;
- 4) Inspections/Testing;
- 5) Lead hazard control; and
- 6) Relocation.

The budget for all tasks should equal the total approved award under the grant agreement. For complete instructions on the completion of form HUD-441.1, please refer to the "HUD

¹ 5 percent for grantees in States without an operational State LBP contractor certification program acceptable to HUD and EPA; 10 percent if such a certification program is operational (or where a local grantee has been authorized to proceed using contractors certified in other States).

Baseline Planning and Progress Reporting Instruction Manual for Contractors and Federal Assistance Awardees," dated July 1993. (See Policy Guidance Issuance dated June, 1994).

(B) The Work Plan narrative is to accompany the form HUD-441.1. The Work Plan shall revise and update the general work plan submitted with the initial proposal and include any negotiated changes to the work plan strategy or budget.

The Work Plan shall address the tasks/activities shown on the form HUD-441.1; the staff hours and key personnel for each task; and the expected starting and completion dates for each task and any identified sub-tasks. The Work Plan shall provide enough detail so a reader can understand the Work Plan strategy. (See Attachment 2, Work Plan Outline). The Work Plan shall include:

- (1) Management Plan - A detailed description of how the project will be managed ;
- (2) Funding Flow - How funding will flow from the grantee to the actual performers of each task;
- (3) Selection of Subgrantees and Subcontractors – The selection process for subgrantees and subcontractors ;
- (4) Selection of Properties for Enrollment - The selection process for the properties to be treated as well as a description of the levels of hazard control to be conducted and the number of units proposed for each level;
- (5) Health Screening - The screening and medical follow-up measures to be conducted to protect children and other occupants;
- (6) Education Plan - How the program's community awareness, education and outreach will be carried out;
- (7) Relocation Plan - How relocation will be carried out for residents required to be out of their homes during hazard control activities;
- (8) Economic Opportunities – Section 3 of the Housing and Community Development Act of 1992 requires that, when employment or contract opportunities are generated, the recipient of HUD funding shall give preference in hiring to low- and very low-income persons, or in contracting to businesses owned by or that employ substantial numbers of low- and very-low income persons. The Work Plan describes the provision of such economic opportunities for low-income residents of the project's target areas; and
- (9) Other - Any special features of the project as pertinent e.g. insurance, data collection and evaluation, special projects or services.

(3) A Contractor Certification Statement by the Project Manager or other authorized official certifying that all firms or personnel --including contractors, abatement supervisors, inspectors, and risk assessors -- working in the HUD-funded Lead-Based Paint Hazard Control Grant Program are certified under the laws and regulations of a State-accredited certification program acceptable to HUD and EPA. The Contractor Certification Statement shall be forwarded to this office within 60 days after the signing of the grant agreement and before any lead hazard control activities are undertaken.

(4) A Detailed Abatement Plan is no longer required. However, all work must continue to be carried out in conformance with the Grant Agreement, HUD NOFA, all applicable HUD Program Policies, Lead Office Policy Guidance Issuances, and all applicable State and local laws.

(5) A Request for Release of Funds and Certification (HUD form 7015.15) is to be received and approved in writing by this office before any lead hazard control activities (i.e. starting with inspections) can begin.

HUD will approve the release of funds to undertake 'lead hazard control activities) upon receipt of certification (form HUD 7015.15), executed by the certifying officer, that the grantee has fully carried out its environmental review responsibilities.

The form HUD-7015.15 shall be accompanied by a copy of a public notice of intent to request release of funds that was published at least once in a newspaper of general circulation in the affected communities.

Any subsequent HUD lead hazard control grant to the same grantee requires a new form HUD-7015.15 to be prepared and approved.

A prototype Programmatic Agreement has been negotiated with the Advisory Council on Historic Preservation for optional use by HUD Policy Guidance Issuance forwarded to grantees November 30, 1995).

(6) The Quarterly Progress Report consisting of Narrative Report and Project Management System Progress Report (form HUD-661.1) is to be forwarded to this office within 30 days after the end of each calendar year quarter during the grantee performance period. The first report period begins with the effective date of the grant agreement and ends with the completion of the first complete calendar year quarter. The first report is due 30 days after the end of the first complete calendar year quarter. Report due dates are on or before April 30, July 30, October 30, and January 30. For example, the first quarterly report for a project whose effective date is February 15 would be due July 30 of that year, and cover the entire four and a half month period from February 15 through June 30.

Both the Narrative Report and the form HUD-661.1 should include the same tasks/activities that are shown on your Management Plan (form HUD-441.1) and your narrative Work Plan. The Narrative Report must provide enough information so that a reader can understand the accomplishments as well as any problems encountered and actions taken to address those problems during the reporting period. The initial form HUD-661.1 report should consist of three pages – one for each of the three program years. Thereafter, only the current year page needs to be submitted with the Narrative. Complete instructions for the completion of the form HUD-661.1 report are contained in the HUD Project Management System Guidelines (See Lead Office Policy Guidance Issuance, June 1994 for a copy of this report).

During the lead-hazard control phase, the Quarterly Progress Reports shall include, along with the form HUD-661.1 and Narrative Report, a Program Activity Summary Report (See Attachment 3 for a sample report) which provides the number of:

- 1) Units inspected (i.e. units tested and ready to be contracted out; cumulative);
- 2) Units in progress (i.e. units under contract or lead hazard control underway during reporting month); and
- 3) Units completed (i.e. cleared; cumulative).

Note: We will continue to conduct monthly telephone inquiries for this data around the 15th of each month once lead hazard control activities are underway.

(7) The Financial Report is to be submitted quarterly (submission dates are the same as for the Quarterly Progress Reports) and within sixty (60) days after the completion of the project (not required of Round One grantees).

The quarterly Financial Report consists of the Financial Status Report (SF-269) and a Matching Funds Breakdown (See Attachment 1 for sample format) showing how matching costs have been incurred by cost element (budget category of grant agreement). This Matching Funds Breakdown, which accompanies each SF-269 report, should show matching fund expenditures for the current reporting period and cumulative totals to date.

The final Financial Report consists of a final Financial Report (SF-269) accompanied by a Matching Funds Breakdown (a breakdown of each Federal expenditure incurred by cost element; see Attachment 1 for a sample format), and a final LOCCS voucher (HUD-27053), including a Federal Funds Breakdown (a breakdown of federal fund expenditures incurred by cost element; see Attachment 1 for a sample format). Each breakdown accompanying the final report shall show the total of expenditures.

(8) The requirement for an Annual Report is eliminated. The provision of the Quarterly Progress Reports, Financial Reports and a Final Report has been deemed sufficient.

(9) The Final Report is to be received and approved by this office before the final 10 percent of the total grant amount is approved for drawdown.

The Final Report consists of (1) a final Quarterly Progress Report (form HUD-661.1, Narrative Report, and Program Activity Summary Report), (2) a final Financial Report (Financial Status Report --SF-269, a Matching Funds Breakdown, and a final LOCCS voucher --HUD-27053, including a Federal Funds Breakdown), and (3) a Section 3 report (HUD-60002). The Final Report is due sixty (60) days after the end of the grant performance period. Note that while Round One grantees are not required to submit the SF-269 or the Matching Funds Breakdown, they are required to submit a Federal Funds Breakdown or Cost Element Breakdown of Federal Funds Expenditures with their Final Report.

The final Narrative Report shall provide a detailed discussion of all grant activities, accomplishments, and lessons learned. The accompanying Financial Report shall

document the total federal and matching funds expended in carrying out the grant. The accompanying HUD-60002 documents the provision of "Economic Opportunities for Low and Very Low-Income Persons" in connection with the grant. (See Lead Office Policy Guidance Issuance dated April 14, 1995 regarding Section 3 policy).

ATTACHMENTS

Reporting Requirements

Attachment 1: Cost Element Breakdown (Sample Format)

Use: This sample format can be used for (1) the Federal Funds Breakdown that accompanies each LOCCS voucher request, (2) the Matching Funds Breakdown, required to accompany each SF-269, and (3) the Federal Funds Breakdown in the Final Report.

Attachment 2: Work Plan Outline (Sample Format)

Use: Accompanies Form HUD-441.1 submitted within 60 days after effective date of grant agreement.

Attachment 3: Program Activity Summary Report (Sample Format)

Use: Included with each Quarterly Report submitted during the lead hazard control phase and the post hazard control testing and follow-up phase.

Attachment 4: Index of Lead Office Policy Guidance Issuances through April 1996

Use: Comprehensive reference list of lead Office Policy Guidance Issuances in addition to the requirements of the Grant Agreement, HUD NOFA, other HUD program regulations, and applicable State and local laws.

ATTACHMENT 1

Cost Element Breakdown

PLEASE FILL OUT OR CHECK THE APPLICABLE ITEMS

Grant Number _____
 Federal Funds Breakdown _____ (to accompany HUD-27053)
 Matching Funds Breakdown _____ (to accompany SF-269)
 For the Reporting Period of _____ to _____

LINE ITEMS*	NEGOTIATED BUDGET	EXPENDED THIS PERIOD	EXPENDED TO DATE	AVAILABLE BALANCE
Direct Labor				
Fringe Benefits				
Materials				
Travel				
Equipment				
Consultants/ Subgrantees/ Subcontractors				
Other Direct				
Indirect Costs				
TOTALS				

* Cumulative transfers of funds among direct cost categories which exceed or are expected to exceed ten percent of the current total approved HUD budget require prior approval of the HUD Grant Officer.

Signature & Title

ATTACHMENT 2

Work Plan Outline

A typical Work Plan will include the following narratives and attachments. For additional ideas or examples, contact your GTR.

I. NARRATIVES

- A. Management Plan
- B. Funding Flow
- C. Selection of Subgrantees and Subcontractors
- D. Selection of Properties
- E. Health Screening
- F. Education Plan
- G. Relocation Plan
- H. Economic Opportunities (*Section 3*)
- I. Other

II. ATTACHMENTS

- A. Organization Chart - relationship of all project personnel
- B. Timeline - sequence of tasks for life of project period of performance
- C. Target Area Map - locations where hazard control will take place

ATTACHMENT 3

Program Activity Summary Report For the Reporting Period of _____ to _____.

ACTIVITY	CURRENT QUARTER*
1. Units Inspected NOTE: Report as cumulative.	
2. Units in Progress (Under contract or abatement/hazard control initiated)	
3. Units Completed & Cleared NOTE: Report as cumulative.	

This report is included in the Quarterly Report, beginning with Month 8 (see Quarterly Report schedule below). The Lead Office will continue to conduct monthly telephone inquiries of this data on or about 15th of each month during the hazard control phase.

* Quarterly Progress Report Schedule (which includes this report):

QUARTER	REPORTING DATES	REPORT DUE DATE
First	January 1 - March 31	April 30
Second	April 1 - June 30	July 30
Third	July 1 - September 30	October 30
Fourth	October 1 - December 31	January 30

ATTACHMENT 4

Index of Lead Office Policy Guidance Issuances Through April 1996

GRANT PROGRAM POLICY GUIDANCE ISSUANCES

TAB	DATE	SUBJECT
F	03/14/96	Grant-Related Issues-Letter of Clarification.
G	11/30/95	Prototype Programmatic Agreement Among State Historical Preservation Office and the Advisory Council on Historic Preservation and the Lead-Based Paint Hazard Control Grant Recipient.
H	11/20/95	Use of Certified Contractors Assurance Statement.
I	07/17/95	Round 2 and Round 3 Grantees -- Use of OMB-approval Data Collection Forms.
J	06/26/95	Round 3 Grantees -- Use of Contractors Certified in Other States.
K	04/14/95	Section 3 Requirements, Reporting Form (HUD-60002) and Pamphlet.
L	03/07/95	Supplemental Guidance to 08/30/94 Correspondence Regarding Environmental Review Procedures and Requirements.
M	12/12/94	Condition of Units Post-Hazard Control.
Mc	12/08/94	Use of Non-Certified Contractors for Certain Activities.
N	11/02/94	Use of Niton and Other Manufacturer's XRF Instruments.
O	09/16/94	Use of Grant Funds and Enactment of Enabling Contractor Certification Legislation. Use of contractors certified in other States.
P	08/30/94	Environmental Review Procedures and Requirements (Supersedes 5/23/94 Requirements).
Q	06/02/94	<u>HUD Project Management System: Baseline Planning and Progress Reporting Instruction Manual for Contractors and Federal Assistance Awardees.</u> Letter to grantee organization.
R	03/31/94	Letter to Grantees Regarding Housing and Health Agency Coordination.
S	03/22/94	Payment of Temporary Relocation Expenses.
T	03/04/94	Statutory Requirements for Round 1 and Round 2 Grantees.
U	01/26/94	Data Collection and Reporting Requirements for Round 2 Grantees.
V	09/15/93	Relocation Policy For Households During Lead-Based Paint Hazard Reduction Activities.
W	05/04/93	Use of Age 6 as Threshold Age of Concern for Residential Lead Exposure and Blood Lead Level Testing.