

# Complete and Accurate Grantee Performance Reports

January 18, 1989

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT

Special Attention of: Notice CPD-89-06

All Regional Administrators

All Regional CPD Directors Issued: January 18, 1989

All Category A Field Office Managers Expires: January 18, 1990

All CPD Division Directors

Cross References:

## **SUBJECT: Complete and Accurate Grantee Performance Reports**

In many field offices a substantial amount of time is spent each year obtaining corrected or missing information for Grantee Performance Reports (GPRS) prepared by Community Development Block Grant entitlement grantees. In order to significantly reduce the time spent on this task in 1989 and future years, special efforts need to be made in the coming months to ensure that each grantee fully understands how to properly prepare the recently revised GPR.

### **Training**

If your office has not already held or scheduled a training workshop for grantees on the revised GPR, one should be scheduled as soon as possible. Materials sent to you previously that can be used in the workshops include: (1) GPR preparation instructions, examples and completeness checklist for grantees included in HUD Handbook 6510.2, REV-1, dated April 1988; (2) training booklet on the revised GPR, dated July 1988, which explains the purpose and uses of the GPR, reviews changes made in each part of the report, and briefly describes the reviews HUD will conduct using the report; and (3) Notice CPD 88-29, dated August 1988, which provides comprehensive guidance for HUD staff on how to conduct completeness and substantive reviews of GPRS.

### **Letter to Grantees**

To further focus grantees' attention on the need for proper preparation of the GPR, you should send the attached letter to them as soon as possible. The letter alerts grantees that HUD will be making special efforts in the coming months to ensure that all GPRs are fully and accurately completed, describes the various tools that are now available to help in preparing GPRS, and explains why complete and accurate GPRs are important. Feel free to modify the letter to fit your needs.

One tool mentioned in the letter is the GPR Handbook. It provides examples of properly completed forms, demonstrating the type and level of detail required.

Another is the Activity Management and Reporting System (AMRS) software. The letter indicates that, while the software may improve program management and save time in forms preparation, it does not automatically produce an accurate GPR. Grantees must be sure to provide the type and level of detail called for in the GPR Handbook when using the software.

In like manner, field office staff must do the same thorough reviews for GPR forms prepared with the AMRS software as those prepared the traditional way.

### **Meeting Regional Management Plan Production Goal**

Obtaining complete and accurate GPRs will help you meet CPD's Regional Management Plan production goal 3.1 which focuses on completing various review processes in a timely manner. One part of that goal calls for sending a letter to each entitlement grantee within 90 days of receipt of its GPR describing the results of the substantive review. Accomplishing this part of the goal will be relatively easy where the grantee submits a complete and accurate GPR when it is due. Where that is not the case, accomplishing the goal will be more difficult but still possible if the procedures described below are followed.

### **Completeness Reviews**

1. As soon as the GPR is received, review it for completeness and internal consistency using the completeness review sheets included on pages 2 through 10 of Notice CPD 88-29.
2. If the submission is complete and internally consistent, send a letter to the grantee acknowledging receipt and indicating that substantive reviews are now underway.
3. If the submission is incomplete or incorrect:
  - a. Contact the grantee by telephone to discuss the problems. If the changes needed are minor, they may be made over the phone provided the file contains a record of the changes made, date of changes, and name of local officials agreeing to the changes.
  - b. If the Problems cannot be resolved by phone, follow-up in writing, clearly communicating what information is needed and a due date. The due date should be negotiated with the grantee, taking into consideration the extent and nature of the information needed and keeping in mind the overall 90-day time frame discussed above.
  - c. While the grantee is gathering the needed information, proceed on all possible substantive reviews, using the review sheets included on pages 11 through 36 of Notice CPD 88-29. It should be possible, for example, to review the fundability of most activities using the review sheets and attachments on eligibility (Review Sheet B) and national objectives (Review Sheet C). After the grantee has supplied the needed information, remaining substantive reviews can be completed.

d. If grantee fails to provide the information by the agreed upon due date, proceed with the remaining substantive reviews based on the information at hand. Advise the grantee that substantive reviews are underway and that the missing information is likely to result in the identification of substantive problems. For example, failure to provide required information relating to how an activity meets a national objective would likely result in a substantive review letter stating that the activity will be declared ineligible unless the grantee can show how it meets a national objective.

Training workshops and one-on-one technical assistance provided now on how to properly prepare GPRs should be the most effective means of reducing the number of GPR errors. Being persistent in obtaining timely correction for those errors and omissions that do occur should result in continuing improvements and, consequently, a steady reduction in the amount of time spent on CPR reviews.

### **GUIDEFORM LETTER**

Dear Community Development Director:

This is to alert you that HUD will be making special efforts in the coming months to ensure that all Grantee Performance Reports (GPRs) are fully and accurately completed. Because 1989 will be the first year in which all Community Development Block Grant entitlement grantees will be preparing the recently revised report, we want to ensure that each report is completed correctly. This will help eliminate problems in the future.

As you know, unlike most other Federal grants-in-aid programs, the CDBG Entitlement Program does not involve a front-end application review and approval process. Very little information is provided in final statements. This makes the once-a-year Grantee Performance Report of critical importance to this \$2 billion-a-year program. Because of the GPR's central role in the program as a public information document, a monitoring tool, and a major source of data for national and state reports on the program, it is imperative that each GPR be complete and accurate.

HUD will be using new, comprehensive review sheets in analyzing GPRs submitted beginning in 1989. With the exception of minor deficiencies that can be corrected over the telephone, an improperly completed GPR will result in a letter describing each deficiency and requiring the submission of additional information. Careful attention to the GPR when it is first prepared, therefore, will save time in the long run both for your staff and for mine. To allow more time for GPR preparation, the new CDBG regulations provide for submission of the report 90 days after the end of the program year, instead of the previous 60 days.

Various tools are now available to help ensure that the GPR is completed in accordance with the GPR instructions handbook (HUD Handbook 6510.2 REV-1, dated April 1988). These include updated examples of properly completed forms, a GPR completeness checklist for grantees, a training booklet, and the recently issued Guide to CDBG Eligible Activities. Paying close attention to the examples in the handbook and then filling out the completeness checklist should result in an acceptable report.

Another new tool is the Activity Management and Reporting System (AMRS) software designed to help grantees manage their programs and produce Activity Summary and Direct Benefit forms more efficiently. Its use is entirely optional, but over 680 grantees have requested the software and most of those attended training last summer.

While using the software will undoubtedly save time in the long run, AMRS will not automatically produce accurate Activity Summary and Direct Benefit forms. To produce acceptable reports, AMRS operators will need to understand and apply the instructions in the GPR Handbook, as well as the instructions in the AMRS User Manual. Regardless of whether or not AMRS software is used, the type and level of detail called for in the GPR Handbook must be provided.

The improper classification of activities in the GPR has often been a problem in the past. Classifying each activity under its proper category is especially important due to the statutory and regulatory requirements applicable to various types of activities such as public services, planning and program administration, housing activities, and activities involving assistance to businesses for economic development. Reference to the new Guide to CDBG Eligible Activities should help in properly classifying activities.

My staff and I are available to answer any questions you have about the revised GPR. Resolving questions about the GPR before it is prepared and submitted is clearly advantageous, so do not hesitate to call.

Your active support is essential if the effort to improve the quality of GPRs is to succeed. By ensuring that your staff understand and follow the instructions and examples in the GPR handbook and then use the completeness checklist, I am confident that quality will improve and a significant amount of staff time will be saved.

Sincerely,

CPD Division Director