



Program Launch for New CDBG-DR Grantees

2019 CDBG-DR Problem Solving Clinic

Kansas City – Overland Park | July 30 – August 1, 2019

Welcome and Speakers

- Session Objectives
 - Identify the steps that new grantees must take prior to signing a grant agreement and launching their program
- Speakers
 - Steve Higginbotham, ICF
 - Jen Carpenter, HUD



Agenda

- Public Laws and Federal Register Notices
- The Action Plan
- HUD Certifications
- Operational First Steps



Public Laws and Federal Register Notices

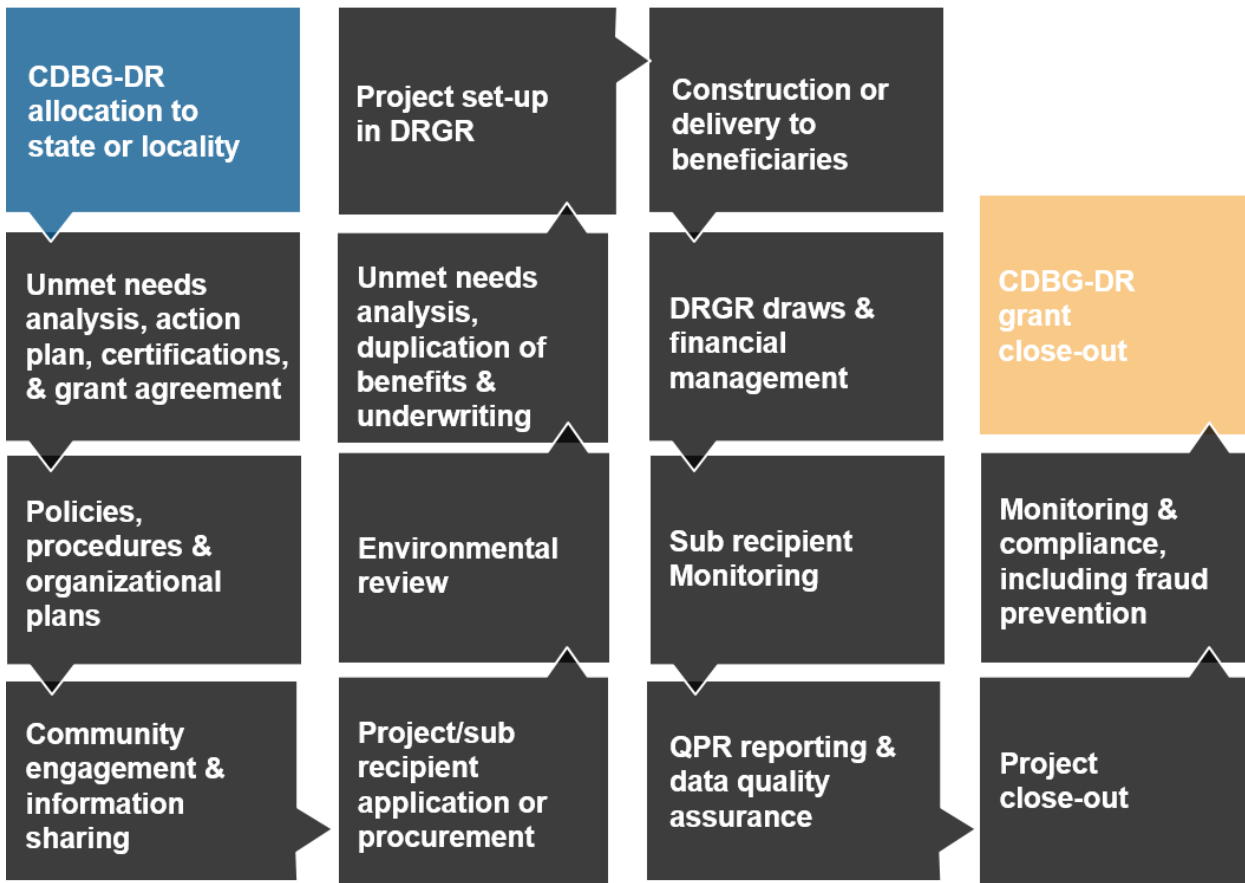


Public Laws and Federal Register Notices

- Public Law describes which Federal departments and agencies receive appropriations for the designated disaster(s)
- Federal Register Notice – read and study
 - Allocates funding to grantees
 - May restrict where funds can be spent (MID URN areas)
 - Describes waivers and alternative requirements governing the allocation
 - Lays out the process Grantees must follow prior to executing their grants
 - Describes ongoing requirements for financial management and reporting



Life Cycle of a CDBG-DR Grant



The Action Plan



Developing the Action Plan

- Prepared by the Grantee
- Action Plan Elements
 - Assessment of damage:
 - Housing
 - Infrastructure
 - Economic revitalization
 - Analysis of unmet needs
 - Plan to allocate available funding to a combination of housing, economic development, infrastructure, and services programs, based on needs assessment.



Developing the Action Plan (cont.)

- Action Plan Elements (cont.)
 - Other items required by Federal Register Notice (e.g. cross-cutting federal requirements, non-displacement, not suitable for rehabilitation)
- Must make Action Plan available for public comment
 - Include comments and Grantee response in Action Plan submission
- Include any new waivers with (or before) Action Plan Submission
- Submitted to HUD for approval within stated timeframe



HUD Certifications



HUD Certifications

- Appropriations Act requirement
- Requirement for all new grantees
- Must be updated by older grantees if policies have changed since HUD approval or last award was 2011 storms or earlier
- Grantee should plan to submit in advance of Action Plan submission
- Must be approved by Secretary in advance of grant signing
- May require review by HUD Chief Financial Officer and Office of Inspector General



HUD Certification Requirements

- Financial Standards
 - Financial Controls
 - Internal Controls
 - Payment and Financial Reporting Policies & Procedures
 - Policies & Procedures dealing with Improper Payments
 - Program Income
 - Revision of Budget and Program Plans
 - Period of Performance
 - Record Retention and Access
 - Audit Requirements



HUD Certifications

- Procurement Policies and Procedures
- Procedures for the Prevention of Duplication of Benefits
- Procedures to Determine Timely Expenditures
- Procedures to Maintain a Comprehensive Website
- Procedures to Detect and Prevent Fraud, Waste and Abuse of Funds



Disaster Recovery Grant Reporting System (DRGR)



Initial DRGR steps

- DRGR User Accounts
 - Work with CPD Rep to create DRGR Grantee Administrator user accounts
 - Grantee Administrators must request all other user accounts in DRGR
- After Action Plan approval
 - Execute grant agreement and establish LOCCS banking
 - Complete and submit DRGR Action Plan for approval
 - Must be substantially similar to published action plan
 - At minimum, DRGR Project budgets must sum to grant award
 - Drawdowns occur at the DRGR activity level
- Submit first drawdown
 - Confirm receipt of funds from LOCCS into local account



Ongoing DRGR steps

- Continue to edit DRGR Action Plan, as necessary
 - Must always align with published action plan
 - CPD Rep must approve all edits to the DRGR action plan
 - Cannot draw funds for newly created activities until CPD Rep approval
- Quarterly Performance Reports
 - First QPR due 30 days after the first full quarter after the Grant Agreement is executed
 - Ex: if the grant agreement is executed on February 15, the first QPR is due on July 30
 - Submit every quarter thereafter until grant close-out
- DRGR trainings and resources
 - <https://www.hudexchange.info/programs/drgr/>



Operational First Steps



Operational First Steps

- Prepare to Expand Operations!
- Grants Management
 - Assess your business processes, IT systems, staff capabilities, and institutional infrastructure
 - Determine needs for new equipment, expanded office/facilities space
 - Evaluate current systems and processes to determine areas for improvement, augmentation – identify additional assistance you may need to accomplish



Operational First Steps (cont.)

- Program Management
 - Successful program implementation requires:
 - Increasing staff size
 - Cultivating new partnerships with other agencies, subrecipients and contractors
 - Determine the implementation model(s) you will use:
 - Direct – Grantee implements
 - Partner – Grantee partners with other agencies or contractors
 - Distribution – Grantee funds Units of General Local Government
 - Models can be combined
 - Decision based on tradition, capacity, complexity
 - Detailed policies and procedures required for any model



Operational First Steps (cont.)

Prior to deciding whether to procure an outside contractor, keep the following things in mind:

- All costs need to comply with general cost principles:
 - Allowable (2 CFR 200.403)
 - Reasonable (2 CFR 200.404)
 - Allocable (2 CFR 200.205)
- Additional considerations for contracted professional services:
 - Professional Service Costs (2 CFR 200.459)
 - Determining allowability of costs:
 - Are the services needed?
 - Could the grantee have done the services in-house?
 - Is it cost effective to contract vs. in-house with existing or additional staff?
 - Is the contractor qualified?
 - Are the costs appropriate for the services being provided?
 - Is the contract adequate?



Operational First Steps (cont.)

- Procurement and Contract Management
 - Evaluate current policy for consistency with 2 CFR Part 200.317 – 200.326
 - Develop or update policy & procedures for subrecipients
- Compliance and Monitoring
 - Develop policies & procedures
 - Conduct risk assessments of subrecipients
- Execute data sharing agreements and start collecting data
- Track time and costs spent on CDBG-DR activities pre-award (e.g. Action Plan development) as these are reimbursable costs
- Understand the CDBG-DR program life cycle



Resources and Tools:

<https://www.hudexchange.info/programs/cdbg-dr/toolkits/program-launch/>

<https://files.hudexchange.info/resources/documents/Disaster Recovery Disaster Impact Needs Assessment Kit.pdf>

<https://www.hudexchange.info/programs/cdbg-dr/>

<https://www.hudexchange.info/programs/cdbg-dr/cdbg-dr-laws-regulations-and-federal-register-notices/>



Questions?

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