

CHAPTER 1. INTRODUCTION

- 1-1 PURPOSE. This Handbook is designed to provide direction and guidance to the Field Office on actions which must be taken to manage the Community Development Block Grant (CDBG) Entitlement Program. It includes information on processing the various documents which must be submitted by grantees and reviewed by the Field Office to ensure that statutory and regulatory requirements are being met. It also includes information on the steps or actions which should be taken or considered in analyzing and resolving problems in managing the Entitlement Program.
- 1-2 AUDIENCE. This Handbook is for the use of all HUD field staff involved in the management of the CDBG Entitlement Program. HUD Community Planning and Development (CPD) staff with responsibility for ensuring that program submissions are properly processed, management decisions adequately documented, and problems resolved in accordance with program requirements should find it particularly useful.
- 1-3 OVERVIEW OF RESPONSIBILITY FOR ENTITLEMENT GRANT MANAGEMENT
- A. The primary responsibilities of the Field Office in managing the Entitlement Program are to:
1. Provide assistance to communities in understanding program requirements; and
 2. Monitor local CDBG programs to ensure compliance with statutory and regulatory requirements.
- B. Section 104(a) of the Housing and Community Development Act of 1974, as amended, requires an annual review of a grantee's performance in implementing its entitlement program. The determination must specifically address whether:
- o The grantee has carried out its activities and its housing assistance plan in a timely manner;
- Note: Since the housing assistance plan has been superseded by the comprehensive housing affordability strategy (CHAS), timeliness only applies to CDBG activities.

- o The grantee has carried out its activities and its certifications in accordance with the requirements and primary objectives of the Act and with other applicable laws; and

Note: This would include whether the grantee carried out its certification concerning the CHAS.

- o The grantee has a continuing capacity to carry out activities in a timely manner.
 - C. The ability of HUD staff to make these determinations requires a thorough understanding of program requirements and knowledge of all aspects of the grantee's program. Much of the information concerning the grantee's program is obtained from final statements, grantee performance reports (GPRs), on-site monitoring, comprehensive housing affordability strategies (CHASs), audit reports, citizen complaints, and other submissions and information from grantees. By analyzing these various sources of information, a comprehensive picture can be drawn of the grantee's performance in meeting program objectives and requirements.
 - D. If, as a result of the above determinations, the Field Office determines that the grantee has not complied with the rules and regulations of the program, steps must be taken to ensure that the non-compliance is effectively corrected. Most often this can be accomplished at the Field level through voluntary action by the grantee. When voluntary action to correct deficiencies is not taken in a timely manner by the grantee, the matter must be referred to Headquarters for a determination concerning application of a sanction.
- 1-4 HANDBOOK ORGANIZATION. This Handbook has been designed to assist Field Offices in managing the Entitlement Program by providing information on the procedures to be followed and timeframes for processing the major documents required to be submitted by entitlement grantees and for managing performance deficiencies. It also includes guidance on the development of internal tracking systems as well as systems which provide information on dates when submissions are expected, received, processed and follow-up action taken. It does not provide guidance on areas covered in other Handbooks, such as on-site monitoring or handling citizen complaints. The order of the chapters in this Handbook generally follows the entitlement review cycle. Certain

processes, such as urban county qualification and dealing with performance deficiencies, have been singled out for attention in their own chapters.