

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT BLOCK GRANTS

PROGRAM PERFORMANCE

STRATEGIC GOAL/OBJECTIVE	ACTUAL 2002	ESTIMATE 2003	ESTIMATE 2004
Strategic Goal EM: Embrace high standards of ethics, management, and accountability.			
Discretionary BA (Dollars in Thousands)
FTE			
Headquarters	9	9	9
Field	29	30	30
Subtotal	38	39	39
S&E Cost (Dollars in Thousands)			
Personal Services	\$3,247	\$3,488	\$3,513
Travel	38	34	35
Printing	26	19	19
Other Services	106	106	134
Supplies	3	1	1
Subtotal	3,420	3,648	3,702
Strategic Objective EM.3: Improve accountability, service delivery, and customer service of HUD and our partners.			
Indicator: Streamline Consolidated Plan	NA	Conduct Pilots	Finalize Recommendations for Change
Strategic Objective EM.2: Improve HUD's management, internal controls and systems and resolve audit issues.			

NA = Not Available

EXPLANATION OF PERFORMANCE

Performance/Means and Strategies

The Community Development Block Grant (CDBG) program provides flexible funding for communities across the Nation to develop and implement community and economic development strategies that primarily benefit low- and moderate-income individuals.

The Department requests no program funding for Strategic Goal EM: Embrace high standards of ethics, management, and accountability. However, there is an effort, as shown through Salaries and Expenses to ensure that the program is well managed and there is a high degree of accountability.

CDBG's request supports Strategic Goal EM: Embrace high standards of ethics, management and accountability, specifically Objective EM.3: Improve accountability, service delivery and customer service of our HUD partners. It does so by monitoring 5 percent more Consolidated Plan grantees on site for compliance with plans at a cost of \$3,702,000 in salaries and expenses during fiscal year 2004.

HUD also takes proactive measures to reduce the number of CDBG entitlement grantees that fail to meet timeliness standards. The Department has made significant improvements in reducing the number of untimely grantees and the dollars associated with those numbers. An untimely grantee is one which has undrawn funds exceeding 1.5 times the value of the most recent

Community Development Block Grants

grant. HUD has aggressively pursued this issue and has made significant progress. The number of untimely grantees has been reduced from a high of 309 to fewer than 50. This has resulted in a reduction in the amount over the standard from \$364 million in September 1999 to \$75 million in June, 2002. By the end of fiscal year 2003, HUD expects that the only grantees who are untimely are those who become so during that year. HUD's aggressive policy requires any such grantee to become timely before its next review or risk losing unspent funds. Accordingly, HUD is dropping the timeliness goal for entitlement grantees. Beginning in 2004, HUD proposes to focus its attention on the timeliness of expenditures of state grantees.

President's Management Agenda

Consolidated Plan changes are occurring within the context of Community Planning and Development's efforts to streamline the process and reduce meaningless compliance burdens with OMB.

This Budget requests \$3 million for Technical Assistance. Technical assistance projects have assisted States and communities in planning, developing and administering Title I assistance. This includes new homeownership assistance, affordable housing, timely expenditure of funds particularly by States, training programs for grantees staff to ensure better understanding of accountability requirements, data enhancements, faith-based community groups, energy enhancement, and meeting lead based paint safety requirements.

In 2004, some of these funds will be used to reform the Consolidated Plan to make it more results-oriented and useful to communities in assessing their own progress. A review of the planning process is currently underway. The Technical Assistance program enables the Department to provide assistance both directly and through contractors in the following areas:

- increasing grantee effectiveness to plan and implement Title I assistance; this effort will emphasize improving the timely obligation and expenditure of funds and will contribute to reducing the number of jurisdictions with over balances;
- improving the economic development potential of governmental units and increasing the participation of the private sector in community and economic development assisted under Title I;
- leveraging non-Title I funding sources in the use of Title I assistance; and
- assisting in special areas, such as:
 - Homeownership;
 - Faith-Based initiatives;
 - Colonias and other especially distressed populations;
 - Lead safe housing;
 - Local performance measurement.

Resource Management Information

No change in FTE from fiscal year 2003 to fiscal year 2004 is requested.