



Capacity Building Programs Reporting Guidance

--Designed for Section 4 and Rural Capacity Building Grantees--

Introduction

Capacity Building Program grantees (Grantees) are required by Notice of Funding Availability (NOFA) and grant agreement to submit semi-annual progress reports on their grant award. These reports are intended to update HUD on the Grantees' implementation of its grant award. The reports should inform HUD on how the Grantee is working to achieve the goals from its awarded application and approved work plans (Action Plan) and deliver updates on financials, performance accomplishments, and timelines. This guidance will outline HUD's expectations for Capacity Building Program grant reporting to ensure that all reporting components are appropriately documented.

Overview

The Reporting Guidance is organized into three sections as outlined below:

- A. Semi-Annual Report Structure – Describes how the application and work plans (DRGR Action Plan activities) set the basis for reporting and outlines the components of a semi-annual report,
- B. Report Components – Defines the requirements and expectations for each of the four reporting components, and
- C. HUD Review and Feedback – Summarizes how HUD will review Grantee reports and utilize report contents to demonstrate program achievements and expectations.

A. Semi-Annual Report Structure

1. Role of the Grant Application and Approved Work Plans (Action Plan activities)

HUD awarded Capacity Building grant funds based on the Grantee's application for funding, therefore progress made toward the application goals and accomplishments should be included in the semi-annual report submission. Likewise, the approved work plans (Action Plan activities) act as an extension of the application outlining specific budgets, tasks, and outputs setting a template for

award implementation and reporting. Therefore, Grantees should review their application and work plans (Action Plan activities) before preparing a semi-annual report to ensure that the report submission is consistent with the awarded application and approved work plans (Action Plan activities).

2. Components of a Semi-Annual Report

After reviewing the layout and contents of the Capacity Building program awarded applications and approved work plans (Action Plan activities), HUD has determined that there are four components that should be included in each semi-annual report submission (see table below).

| Report Component | Description |
|--|--|
| 1. Grant Financials | Financial summary of grant fund expenditures and match and/or leverage contributions. |
| 2. Performance Outputs/Outcomes | Specific performance outputs/outcomes that were projected in the application and/or work plan (Action Plan activity) and are populated with actuals in the semi-annual report. |
| 3. Implementation Narrative | Narrative that tells the story of how the grant and work plans (Action Plan activities) are progressing on a path to completion. |
| 4. Grant Level Data Collection Tools (PAPER BASED AWARDS ONLY) | Grant level reporting tools created to maintain a cumulative record of outputs achieved and beneficiaries served. |

The expectations and requirements associated with the four reporting components will be explored in more detail in Section B.

3. Understanding how the Transition to the Disaster Recovery Grants Reporting (DRGR) system Impacts Semi-Annual Reporting

Starting with the Fiscal Year (FY) 2015 Capacity Building grant awards, HUD transitioned management of the grants into DRGR. Therefore, FY2015 and future grants will be managed and reported in DRGR, while FY2014 and prior awards will be managed and reported via paper submissions.

a. How the Awarded Application is Integrated into the DRGR Action Plan

In DRGR, the concept of linking semi-annual reports with the application and Action Plan activities is more fluid because the Grantee creates an action plan with application rating factor narrative summaries and corresponding activities in DRGR. The approved Action Plan is used by the DRGR system to build out a performance report template in the QPR Module.

b. Works Plans = Action Plan Activities

Action Plan activities are comparable to paper work plans. Grantees are required to build out one Action Plan in DRGR for each grant award. An Action Plan consists of projects and activities. Projects are used to structurally group similar activities, while activities outline the tasks that will be implemented to achieve specific grant award goals.

B. Report Components

1. Grant Financials

Grantee's submit a grant level budget (SF-424-CBW) with their application and a detailed budget with each work plan (Action Plan activity). In the semi-annual report, Grantees should provide an update on the financial status of their grant award and approved work plans (Action Plan activities).

Grantee's will provide their grant level financial update by submitting a Federal Financial Report (SF-425) as part of their semi-annual report submission. The SF-425 provides a grant level summary of Federal fund usage and the commitment of match and leverage funds. For paper managed awards, the SF-425 will be submitted in pdf format with the report narrative. For DRGR managed awards, the SF-425 pdf will be added as an attachment to the report in the QPR Module.

In reporting financials at the work plan (Action Plan activity) level, Grantees will be required to provide data on the amount of grant funds drawn and expended and the amount of match/leverage funds contributed (by source). For paper managed grant awards, Grantees should develop a condensed version of their work plan detailed budget. The table at the top of page 4 shows a work plan detailed budget example for Grantee XYZ.

| Grantee XYZ's Work Plan Detailed Budget | | |
|--|---|--------------------|
| 1. | Personnel Salary | \$20,000 |
| | <i>Project Manager</i> | \$20,000 |
| 2. | Personnel Fringe Benefits | \$5,000 |
| | <i>Project Manager (25 %)</i> | \$5,000 |
| 3. | Sub-Recipient Grant Awards (5 Awards) | \$200,000 |
| | Travel Expenses | \$15,000 |
| | Direct Costs Sub-Total | \$240,000 |
| | Indirect Costs (25 % approved indirect cost rate) | \$60,000 |
| | Indirect Costs Sub-Total | \$60,000 |
| Grant Fund Total | | \$300,000 |
| | CB Grantee (match) | \$700,000 |
| | XYZ Corp (leverage) | \$50,000 |
| | Match/Leverage Sub-Total | \$750,000 |
| Match/Leverage | | \$750,000 |
| Grantee XYZ's Work Plan Budget Total | | \$1,050,000 |

In the detailed work plan budget example above, Grantee XYZ has budgeted \$300,000 in grant funds and \$750,000 in match/leverage funds for a total work plan budget of \$1,050,000. In the semi-annual report, Grantee XYZ will report out on their grant fund draws and expenditures and match/leverage contributions (by source) as of the end of corresponding reporting period. In the example at the top of page 5, Grantee XYZ created a condensed version of their work plan detailed budget table to display the required financial reporting data.

| Grantee XYZ Work Plan Budget Reporting Table | | Budgeted | Drawn | Expended or Contributed to Date | % |
|--|---------------------|--------------------|------------------|---------------------------------|------------|
| Grant Funds | | \$300,000 | \$155,000 | \$157,000 | 52% |
| | CB Grantee (match) | \$700,000 | | \$320,000 | 46% |
| | XYZ Corp (leverage) | \$50,000 | | \$30,000 | 60% |
| Match/Leverage | | \$750,000 | | \$350,000 | 47% |
| Work Plan Budget Reporting Totals | | \$1,050,000 | \$155,000 | \$507,000 | 48% |

The example work plan budget reporting table above shows that Grantee XYZ has a 52% expenditure rate for their budgeted grant funds and a 47% contribution rate for committed match/leverage funds. Grantees are required to provide a supporting narrative to explain trends from the financial data, the expectations for this analysis is explained in more detail in the Implementation Narrative component discussion in Section B.3.b.

For Grantees that work in a large geographic area or who distribute a large volume of financial subawards, HUD recommends Grantees submit a financial reporting table that combines multiple similar work plans. Please reach out to the assigned HUD representative to discuss this option.

Making the Connection to DRGR – In DRGR, Grantees are required to complete two financial data reporting fields at the Action Plan activity level. These fields represent Total Funds Expended and Match Contributed. Total Funds Expended is the amount of grant funds expended in the current reporting period for the specific Action Plan activity. The amount entered on a semi-annual basis should not be a cumulative amount of grant funds expended, it should only reflect the current reporting period. The DRGR system automatically summates the totals from all reporting periods. The Match Contributed is the amount of match/leverage contributed to the activity during the current reporting period. The DRGR system will automatically transfer financial data from the Action Plan and Drawdown Modules, so Grantees do not need to enter the amount of grant funds budgeted or drawn, or the amount of match/leverage funds committed for each Action Plan activity.

2. Performance Outputs

In the application and work plan (Action Plan activity), Grantees put forth performance output projections to demonstrate the impact of their grant award project. In the semi-annual report,

Grantees will record actual data to show progress made toward achieving their performance output projections. HUD will be tracking performance output data at both the grant and work plan (Action Plan activity) level.

Performance output data at the grant level will be collected in different ways for paper managed grants compared to DRGR managed grants. For paper managed grants, performance output data will be collected via the Performance Output Reporting Tool discussed in Section B.4 of this guidance. For DRGR managed grants, performance output data will be collected using the Grantee’s inputs at the activity level. HUD will calculate grant level performance outputs using exported worksheets from the Reports Module in DRGR to isolate performance output data submitted for all activities in a Grantee’s Action Plan.

At the work plan (Action Plan activity) level, Grantees will provide actual output measures for all performance outputs projected in the work plan(s) (Action Plan activity) and any accompanying attachments or supplements. For paper managed grants, Grantees should produce a table with four columns: performance output, projection measure, actual measure, and percent completion. Below is a work plan performance output reporting table example for Grantee QRS.

| Work Plan Performance Output Reporting Table – Grantee QRS | | | |
|---|-------------------|---------------|---------------------|
| Performance Output | Projection | Actual | % Completion |
| # of organizations served | 10 | 5 | 50% |
| # of CDCs/CHDOs served | 8 | 4 | 50% |
| # of grants award | 8 | 6 | 75% |
| \$ of grants awarded | \$200,000 | \$120,000 | 60% |
| # of loans approved | 2 | 1 | 50% |
| \$ of loans approved | \$100,000 | \$50,000 | 50% |

In the reporting table example above, Grantee QRS reported cumulative actual data as of the end of the current reporting period. Grantee QRS reported that they served 5 out of the 10 organizations projected to be served for this work plan (Action Plan activity), which is a 50% completion rate. Grantees are required to provide a supporting narrative to explain trends from the performance output data, the expectations for this analysis is explained in more detail in the Implementation Narrative component discussion in Section B.3.b.

For Grantees that work in a large geographic area or who distribute a large volume of financial subawards, HUD recommends grantees submit a performance output reporting table that combines multiple similar work plans. HUD representatives should be consulted for additional guidance.

Making the connection to DRGR –A specific list of performance outputs was developed in DRGR and made available for each activity based on the activity type selected. Each activity type aligns with a customized set of outputs constructed from the available catalogue of outputs outlined in the FY2015 and FY2016 NOFAs. When building out an Action Plan activity, Grantees are required to provide numerical projections for all available outputs that apply to their work. If the Grantee has additional outputs to report beyond what is available via their activity type selection, these additional outputs should be included in their Action Plan Activity Supplement.

When completing the semi-annual report in DRGR’s QPR Module, Grantees will provide actual measures at the activity level for all the performance outputs in which they provided numerical projections. Performance output measures entered into the DRGR system fields should represent work completed in the most recent reporting period. DRGR will then automatically calculate the cumulative output measure to date. For performance outputs included in the Action Plan Activity Supplement, Grantees will utilize the table from the Grantee QRS example discussed in Section B.2 to report out actuals for these outputs in the QPR Activity Supplement (see *DRGR QPR Module Guide*).

3. Implementation Narrative

In supplement to the financial and performance data, Grantees will submit narrative responses at the grant and work plan (Action Plan activity) levels. Narrative responses should focus on providing updates to work completed during the corresponding reporting period as opposed to cumulative summaries of everything that has happened since the start of the grant term. Specific guidance on the expectations and requirements for narrative responses at the grant and work plan (Action Plan activity) levels is provided in the sub-sections below.

a. *Grant Level Narrative*

The Grant level narrative in the semi-annual report should address the following components:

- Change in Grant management personnel or office (if applicable),
- Change, addition, or revision in the project or match/leverage partners (if applicable),
- Assessment of implementation timeline and likelihood of completing the entire award project within 48 months,
- Lessons learned from work plan (Action Plan activity) implementation and the impacts it is having on ongoing implementation efforts, and

- Spill over impacts from grant award implementation that were not projected to be achieved in an approved work plan (Action Plan activity).

b. *Work Plan (Action Plan activity) Narrative*

The work plan (Action Plan activity) level narrative in the semi-annual report should provide an explanation for financial and performance data reported as well as omissions that were not reported. This may include a rationale for why match/leverage is not recorded or why specific outputs are not on pace to meet projections. In addition to the explanation for financial and performance data, the work plan (Action Plan activity) narrative should address the following components:

- Change in responsible organization or consultants/contractors (if applicable),
- Change to the implementation schedule or tasks (If applicable),
- Approval of any work plan (Action Plan activity) amendments (if applicable);
- Short summary of ongoing work conducted with a representative sample of work plan (Action Plan activity) beneficiary organizations (if less than five organizations are served summarize the ongoing work with all beneficiary organizations served) [HUD representatives should be consulted for guidance on how to select a representative sample].
- Lessons learned from the work plan (Action Plan activity) evaluation, and
- Assessment of goal achievement (what goals have been completed and are the uncompleted goals on pace to be achieved on time).

In some cases, it may be reasonable for grantees to submit a work plan narrative that combines multiple similar work plans. HUD representatives should be consulted for additional guidance.

Making the connection to DRGR – Semi-Annual reports in DRGR are completed in the QPR Module. Inside the semi-annual report, grantees are required to enter financial and performance data in addition to completing two sets of narratives. The first narrative is the “Overall Progress Narrative”, which summarizes Grant level performance, while the second narrative is the “Activity Progress Narrative”, which is separately completed for each activity to give an activity level progress update. HUD recommends Grantees complete an “Overall Progress Narrative” in line with the Grant Level Narrative expectations from above, while the “Activity Narrative” and QPR Activity Supplement (see *DRGR QPR Module Guide*) should be completed in line with the Work Plan (DRGR Action Plan activity) Narrative expectations from above.

4. Grant Level Data Collection Tools

With the new catalogue of performance outputs introduced in the FY2015 NOFAs and improved data collection tools provided by DRGR, HUD is introducing two new grant level reporting tools for the

paper managed grant awards (FY2014 and prior) in attempt to better link data from both reporting formats. These reporting tools will be used to collect grant level performance outputs from paper based awards that align with the output catalogue from the FY2015 NOFA and to obtain a comprehensive list of the beneficiary organizations served by each grant award.

a. *Capacity Building Grant Award Performance Output Data Collection Tool*

HUD will use the Performance Output Data Collection Tool for FY2014 and prior year grants to collect (where feasible) updates on specific outputs taken from the FY2015 NOFA performance output catalogue. This Performance Output Data Collection Tool will allow HUD to blend outputs from both the paper and DRGR managed grant awards to analyze and market long-term and year-to-year program accomplishments. A template collection form with instructions and definitions is provided in **Attachment A**.

Grantees are only expected to complete the data fields that apply to their grant project. If no data is expected or has been recorded for an output, the amount field should remain blank.

HUD recommends a Performance Output Data Collection Tool be completed for each open grant award on a semi-annual basis and submitted to HUD along with the semi-annual report submission.

b. *Capacity Building Grant Award Beneficiary Data Collection Tool*

HUD will use the Beneficiary Data Collection Tool for FY2014 and prior year grants to collect updates on who capacity building funds are serving, where they are working, and for what purpose funds are being used. The Beneficiary Data Collection Tool will be completed such that the Grantee provides the name, location (address), and service provided to all beneficiary organizations assisted under a capacity building grant award. A template collection form with instructions is provided in **Attachment B**.

HUD expects that a Beneficiary Data Collection Tool will be completed for each open grant award on a semi-annual basis and submitted to HUD along with the semi-annual report submission.

Making the connection to DRGR – As explained in prior sections the semi-annual report submittal in DRGR’s QPR Module will collect performance data that can be processed at the grant level, thus negating the need for submission of a Performance Output Data Collection Tool for DRGR based awards. At the activity level, Grantees will follow the QPR Module Guidance to upload a list of beneficiaries for each activity using the template upload form available on the HUD Exchange (<https://www.hudexchange.info/resource/3703/drgr-data-upload-templates/>). It will eliminate the need for submission of a Beneficiary Data Collection Tool for DRGR-based awards.

C. HUD Review and Feedback

1. HUD Review and Comment

Semi-Annual performance reports are intended to update HUD on the Grantees' implementation of its grant award. More specifically, these reports help ensure that grant funds are being expended in compliance with program rules and regulations and while also achieving program goals and objectives. HUD uses semi-annual reports to identify opportunities to engage, assist, and support grantees in staying on track to successfully implement projects within the allotted grant term and to achieve projected accomplishments.

Upon submission of a semi-annual report (either paper or DRGR), HUD will review the document and provide comments to the grantee within 30 calendar days. HUD will provide comments in four categories:

1. Recognition of Goal Accomplishment
2. Issues with the current report submission that need to be corrected and would require resubmission to HUD
3. Issues with the current report submission that need to be addressed in future report submissions
4. Follow-up questions about the report submission

When feasible HUD will deliver the comments for a semi-annual report via email prior to a monthly grantee call and then use the call to provide further information or answer grantee questions. If the monthly grantee call does not align with the release of comments, then the assigned HUD representative will offer the opportunity for a separate call for further discussion.

Making the connection to DRGR – In both the Action Plan and QPR Modules, HUD has the ability to input comments when an Action Plan or semi-annual report are reviewed. Comment boxes are available to HUD at both the grant and activity levels. HUD will be using these comment boxes to log a review narrative to establish a consistent record of grants management, however these comments will not replace HUD's four category semi-annual report review follow-up as discussed above.

In DRGR, HUD will also be issuing a formal approval of semi-annual reports. Like the Action Plan, grantees submit their semi-annual report in DRGR for HUD review and approval. HUD has the option to reject the semi-annual report to allow for revisions and will issue rejections in line with review comments that require modifications to the current report submission before approval can be granted.

2. Summarizing Program Achievements and Evolving the Program

With the introduction of the Performance Output and Beneficiary Reporting Tools for paper based grant awards and the existing data collection capabilities of DRGR, HUD will have a catalogue of clearly delineated performance output measures to document program achievements. The availability of data and the ability to tabulate achievements will allow HUD to further enhance the capacity building programs by ...

- Giving HUD the resources to clearly communicate to Senior Leadership, OMB, and Congress the great work done by the Capacity Building grant program participants,
- Determining the program's highest return on investment activities,
- Building out web applications to market program successes and opportunities,
- Informing HUD technical assistance and monitoring of program Grantees, and
- Improving the NOFA priorities and goals through evaluation of the past uses and successes of previous funding allocations.

Attachment A - Capacity Building Grant Award Performance Output Data Collection Tool

For open Capacity Building grant awards issued in FY2014 and prior years, Grantees are required to submit a Capacity Building Grant Award Performance Output Data Collection Tool semi-annually to summarize the overall performance outputs for each grant award. Grantees should only provide data for outputs that are relevant to the work being completed under a specified grant award. If an output does not align with grant award work plans, the amount field should remain blank. For ease of data entry and future analysis, a Microsoft Excel template of this form will be made available to all grantees.

| | |
|---------------------------|--|
| Date Prepared | |
| Grantee | |
| Program | |
| Grant Award Amount | |
| Grant Number | |

The output measures reported below should demonstrate the cumulative impact of your grant award assistance to eligible organizations for all work plans approved under this grant award. Outputs should reflect the cumulative impact of both grant fund and match/leverage contribution investments.

General Outputs

| Performance Outputs | Definition | Amount |
|---|---|---------------|
| # of Organizations served | Total count of all organizations served by the grant award. | |
| # of CDCs/CHDOs served | Count of CDCs/CHDOs served by the grant award. | |
| # of RHDOs/Tribes/Local Governments [RCB only] | Count of RHDOs/Tribes/Local Governments served by the grant award. | |
| # of individuals served | Count of individuals employed at organizations benefitting from capacity building services. | |

Training and Education

| Performance Outputs | Definition | Amount |
|--|---|--------|
| # of engagements/trainings offered | Total count of training and education engagements offered, includes all delivery types. | |
| # of web based/remote engagements/trainings | Count of trainings and engagements delivered through web based or remote delivery methods. | |
| # of in-person engagements/trainings | Count of trainings and engagements delivered through in-person methods. | |
| # of individuals trained | Total count of individuals served through trainings or engagements (for web based trainings aim to collect attendees, if you cannot collect attendees then use registrants) | |
| # of organizations served | Total count of organizations participating in training and engagement activities. | |
| # of individuals earning or renewing a licensure | Count of individuals attending capacity building training or engagements who earn or renew a licensure. | |

Direct Financial Assistance

| Performance Outputs | Definition | Amount |
|---|---|--------|
| # of grants awarded | Count of capacity building grants awarded. | |
| \$ of grants awarded | Total dollar amount of grants awarded. | |
| # of loans approved | Count of capacity building loans awarded. | |
| \$ of loans approved | Total dollar amount of loans awarded. | |
| # of organizations receiving financial assistance | Total count of organizations participating in direct financial assistance activities. | |

Housing and Economic Development

| Performance Outputs | Definition | Amount |
|--|--|--------|
| # of housing units placed into the development process | Count of houses placed in the development process as a result of capacity building services or financial assistance. [Since, the grant performance period is only four years, work by the grantee may only have time to impact the front end housing development, so this output captures those units that will be fully constructed and occupied after the end of grant performance period.] | |
| # of new housing units created | Count of new housing units created as a result of capacity building services or financial assistance. | |
| # of housing units sustained, repaired, or rehabbed | Count of housing units sustained, repaired, or rehabbed as a result of capacity building services or financial assistance. Serves as catchment for all construction work on existing housing units. | |
| # of businesses assisted | Count of businesses assisted as a result of capacity building services or financial assistance. | |
| # of businesses created | Count of businesses created as a result of capacity building services or financial assistance. | |
| # of community development projects assisted | Count of new/existing community development projects supported with capacity building services or financial investments. Examples of community development projects include commercial construction, park/green space development, and infrastructure work. | |

Technical Assistance

| Performance Outputs | Definition | Amount |
|--|---|--------|
| # of organizations receiving direct technical assistance | Total count of organizations receiving direct technical assistance (usually 1v1 or in a small group) [TA encounters are separate of training and education engagements] | |
| \$ of new or expanded Federal funding received by assisted organizations | Total dollar amount of new or expanded Federal funding secured by an organization after receiving capacity building technical assistance [NOFA based priority] | |

Attachment B - Capacity Building Grant Award Beneficiary Data Collection Tool

Grantees should use this form to provide the name, location (address), and service provided to all beneficiary organizations assisted under a capacity building grant award. For ease of data entry and future analysis, an excel template of this form will be made available to all grantees.

| | |
|---------------------------|--|
| Date Prepared | |
| Grantee | |
| Program | |
| Grant Award Amount | |
| Grant Year | |

EXAMPLE

| | | | | | Services Received (Insert "Y" if yes, leave "blank" for no) | | |
|--------------------------|----------------|--------|-------|-------|---|------------------------|----------------------|
| Beneficiary Organization | Street Address | City | State | Zip | Financial Assistance | Training and Education | Technical Assistance |
| XYZ, Inc. | 15 Yazoo St | Jasper | WY | 85692 | Y | | Y |
| GOAL Corp. | 961 Grane St | Waco | TX | 65341 | | Y | |

| | | | | | Services Received (Insert "Y" if yes, leave "blank" for no) | | |
|--------------------------|----------------|------|-------|-----|---|------------------------|----------------------|
| Beneficiary Organization | Street Address | City | State | Zip | Financial Assistance | Training and Education | Technical Assistance |
| | | | | | | | |
| | | | | | | | |

