

CPD Performance Measurement Outcome System Questions and Answers



FRAMEWORK FORMAT AND INDICATORS

1. What is the purpose of the CPD outcome framework and why is it required now?

A: The outcome framework is intended to provide HUD and grantees with a standardized methodology to demonstrate the outcomes of the CPD formula grant programs. Federal requirements dictate that agencies must track and document the results of taxpayer investments in particular programs. Given the limited level of federal resources, it is particularly important to demonstrate results in order to describe how the CPD programs benefit low-income families and communities.

2. Which HUD programs are included in the framework?

A: The framework covers the following four CPD formula grant programs:

- The Community Development Block Grant (CDBG)
- The HOME Investment Partnerships Act (HOME)
- The Emergency Shelter Grant (ESG); and
- The Housing Opportunities for Persons with AIDS Program (HOPWA)

3. What is the schedule for implementing the performance measurement system?

A: The objectives, outcomes, and indicators that are described in the Federal Register notice will appear in the existing version of the Integrated Disbursement and Information System (IDIS) in Spring 2006. Grantees will be requested to enter available data at that time. In Fall 2006, Phase I of the re-engineered IDIS, will be released and grantees will be required to enter the performance data.

Grantees will be required to incorporate performance measurements into consolidated plans or annual action plans prepared for FY 2007 CDBG, HOME, ESG, and HOPWA funding. This will include the determination of an objective and selection of an outcome for each activity, based on the type of activity and its purpose. HUD realizes that some grantees have already completed preparation of their FY 2006 plans, while others are well into the planning and development process. However, where possible, grantees should immediately incorporate the new performance measurements approach into consolidated plans or annual action plans that are being prepared for FY 2006 funds. This will allow grantees to have a better capability to enter the expected data into IDIS as discussed above. If the only changes being made to the consolidated plan or action plan involve introduction of the new performance measurement features, the changes need not be considered a substantial amendment.

4. *Do grantees need to use this system to report on other activities not funded by CPD?*

A: No. This system only covers activities funded under the CDBG, HOME,, ESG or HOPWA formula grants that are reported in IDIS.

5. *How was the framework developed?*

A: The outcome framework was developed by a working group of state and local public interest organizations, grantees, HUD, and OMB. Together this working group considered the range of activities undertaken through the four CPD programs and developed a framework that accomplished two objectives: (1) to collect robust data on program activities and results; and (2) to minimize the reporting burden on grantees.

6. *How is the framework organized?*

A: In developing the outcome framework, the working group considered the statutory purposes of the four programs. These were summarized into three areas:

- Creating a suitable living environment
- Providing decent housing; and,
- Creating economic opportunities

These were established as the *objectives*.

Next, the working group considered the range of reasons why a grantee might fund a particular activity. Although there are many variations, the working group narrowed it down to three central reasons:

- Improving availability or accessibility of units or services
- Improving affordability not just of housing but also of other services; and,
- Improving sustainability by promoting viable communities

These were classified as *outcomes*.

Thus, in funding an activity, a grantee first chooses an objective, then determines which outcome best describes the intended result of the activity. In order to measure the results of outcomes, grantees track and collect data on pre-determined specific *output indicators* based on the type of activity. HUD will be able to aggregate the national data to complete a picture of the results across all types of activities.

7. *How will grantees choose the appropriate objective and outcome?*

A: Grantees should ask themselves: *Why am I undertaking this activity?* The grantee will then choose the objective and the outcome that best answers this question for the assisted chosen activity.

8. *Can an agency define its own local objectives and then tie these to the federal ones?*

A: Yes. This system in no way impedes any local processes for goal-setting and performance measurement. The grantee would simply need to determine how their local objectives are tied

to the federal objectives for the purposes of entering data into IDIS. In IDIS, the grantee would report using the CPD framework objectives and outcomes.

- 9. *Does the performance measurement system include every activity? If a grantee is working on an activity type that is not covered, how will those outcomes be captured? How should a grantee handle an activity that doesn't seem to fit into any of the combinations of objectives/outcomes?***

A: No, not all eligible activities are covered by the performance measurement system. Activities that do not fit into the system will be reported in IDIS, as they are now. Grantees will be able to describe the outcomes of such other activities in the narrative section of the CAPER.

- 10. *Is CHDO operating assistance covered by the outcome system? Is CDBG or HOME administrative assistance covered?***

A: No. Up to 5 percent of a participating jurisdiction's HOME allocation may be used to cover eligible CHDO operating costs. However, the use of HOME funds for this purpose, or for administrative costs generally, does not directly result in a measurable output in terms of affordable housing units produced or households assisted. In fact, the use of HOME funds to cover CHDO operating costs actually reduces that amount of funds that would otherwise be available for projects, therefore, it would not be appropriate to include the use of CHDO operating costs as an indicator in a system focused on measuring performance

- 11. *If more than one indicator applies to a particular activity, do you need to report on all applicable indicators? For example, if an economic development activity will create jobs and help businesses, do you also need to report on businesses created and jobs with health care ?***

A: Grantees will be required to report on all indicators that describe the results of individual activities. An activity does not have to meet all the indicators that could be achieved, but data on all of the indicators that do describe the results of their activity must be reported.

- 12. *Can different objectives or outcomes be selected for a single activity? For example, can 50 units of rehab in a neighborhood be both for the purposes of creating decent, affordable housing as well as creating a suitable living environment? Can the objective/outcome be changed for the same activity in the following fiscal year?***

A: The objectives closely mirror the statutory objectives of each program. Grantees will select the one objective that the activity is intended to meet. To prevent the dilution of data and capture the largest numbers possible for each outcome, grantees are encouraged to select one outcome that best describes the result of the activity. However, if a grantee feels strongly that an activity is best represented by two outcomes, an additional outcome can be reported.

- 13. *Under CDBG, if you want to assist an activity that is eligible under two different matrix codes, how would those outcomes be reported? For example, what if you have an acquisition activity where you also funded site clearance?***

A: As is currently done, an activity is only reported once in IDIS under one matrix code. Acquisition and clearance are separate activities and must be set up as such, with an objective and an outcome identified for each.

14. *How do “sustainability” and “availability” differ?*

A: Sustainability is specifically tied to activities that are meant to ensure that a particular geographic area as a whole (neighborhood, downtown, etc) remains viable. It is targeted at supporting a specific physical location. Availability is related to making services, infrastructure, housing, or shelter available or accessible to individual residents/beneficiaries.

15. *How would one characterize a soup kitchen or essential services funded under an ESG service grant?*

A: A soup kitchen or essential services provided in a shelter, funded by ESG would be most likely use the objective of suitable living environment and the outcome would probably be availability/accessibility, meaning that the service was more available or easier for an individual to access. However, there are no standard objectives or outcomes for activities, since grantees may design activities differently.

16. *How will grantees determine which activity category and indicators are appropriate for projects with multiple activities, such as microenterprise assistance or development of a day care center?*

A: Multiple activities in a project are reported as individual activities. Once the activity is selected and, in the case of CDBG, the activity and the national objective, are selected, the system will generate, on an IDIS screen, all indicators that could apply to that activity. Grantees never have to decide which indicators might be appropriate. The grantee simply selects all the indicators that describe the results of the activity.

17. *Will grantees be required to ask participants about their disability status in order to report the indicator information related to access for persons with disabilities?*

A: No. The indicators related to disability are related to whether the grantee has developed housing units explicitly designated for persons with disabilities. The performance measures will capture whether the unit has been designated for these persons and will not require collection of disability data from individual households.

18. *Will race/ethnic data be required for all activities?*

A: Race/ethnic data will only be required when the activity is specifically undertaken to directly benefit persons or households, such as job creation activities or housing rehabilitation. Race and ethnic data will not be required for activities under the CDBG low-and moderate area benefit, slum/blight, or urgent need national objectives.

19. *How will the indicator data regarding previous employment and health benefits be collected for job creation tasks?*

A: In most cases, grantees will need to update their data collection forms that businesses use to report job creation/retention information. Businesses currently inform the grantee of the number of persons hired and the number of those that are LMI. For the data on health benefits, the employer will report on whether these benefits are offered for the created jobs. For the previous employment data, it will likely be a check box to be filled out by the employee when they provide their income data. However, in some cases using the “presumptive standards” or the “made available to standard”, grantees may choose not to ask businesses to report such data to reduce the burden on the businesses. However, grantees are encouraged to collect such data, in order to have the most robust national data possible.

20. *What is meant by the term “suitable living environment”?*

A: This objective relates to activities that are intended to address a wide range of issues faced by LMI persons from physical problems with their environment (such as poor quality infrastructure) to social issues such as crime prevention, literacy or elderly health services.

21. *Does “accessibility” mean handicapped access?*

A: Although the term also refer to access for persons with disabilities as an outcome, it is intended to mean increased access to various services, housing units or facilities.

22. *Please give me an example where “affordability” could apply to anything other than housing.*

A: Assume that a grantee has a low interest loan program for LMI micro-enterprise businesses. They offer loans at 1% interest, which is far below the market and enables entrepreneurs to start businesses. As a result, the grantee made the financing more affordable. Another example might be a subsidized day care program that provides services to LMI families at lower cost than market rate day care.

23. *We do not currently collect data on 60% of median income families for ESG, HOPWA or CDBG. Are we now required to report this?*

A: While the 60% of median category will remain a requirement for the HOME Program it is not a new addition for CDBG or ESG, thus collection at the 60% level is not required for those programs. However, HOPWA intends to require reporting on new income categories at the 30%, 50%, 60%, and 80% levels.

24. *Under CDBG, some activities are funded under the low –and moderate –income area benefit national objective and data on households by the various levels of income (30%. 50% etc) is not known. Is this now required?*

A: No. CDBG grantees will not be required to collect any income data that goes beyond what is currently required. Current data collection requirements for each program remain unchanged.

25. *What if I have an activity that is funded by both HOME and HOPWA; how do I count the units? For example, assume a 10- unit project with \$500,000 HOME and \$500,000 HOPWA and all the funds are in all the units (no separate “HOME” units). How many do I attribute to each program?*

A: All of the units are reported under each program path in IDIS. Steps are planned in the revised IDIS to avoid duplicate counting of housing units assisted.

26. *How does a grantee determine what constitutes a “neighborhood” for the purposes neighborhood revitalization?*

A: HUD does not have a common definition for neighborhood, other than Neighborhood Revitalization Strategy Areas (NRSA) or Community Revitalization Strategy Areas (CRSA), which must be approved by HUD. Grantees, states, and state grantees for the State CDBG program can locally define specific areas, such as Census Tracts, Block Groups, or target areas, as neighborhoods.

27. *Will the system capture leveraged dollars?*

A: Yes. One of the indicators that will be used across all activities is the amount of federal, state, local and private funds leveraged.

28. *When a program uses a combination of non-HUD federal, state, local and/or private funds, how does a grantee determine the amount of money leveraged?*

A: The grantee will enter, into IDIS, all of the other federal funds, and state, local, and private funds contributed to the activity.

29. *Why do DUNS numbers need to be provided? What about small businesses with no DUNS number?*

A: Having a DUNS number is now a requirement for any business that receives federal assistance. So, if a business does not have a DUNS number, they will need to call the dedicated toll-free DUNS Number request line at 1-866-705-5711 to obtain the number. The process is free and takes an average of ten minutes. Additional information can be obtained at: http://www.whitehouse.gov/omb/grants/duns_num_guide.pdf

30. *Will grantees be required to report on additional indicators not explicitly listed in the system?*

A: No. Grantees need only provide information on the specific indicators that will be generated in IDIS for that activity

31. *How should a grantee characterize CDBG code enforcement activities?*

A: The objective for code enforcement would typically be “suitable living environment”. The outcome would most likely be “sustainability” since code enforcement is usually related to improving the quality and safety of a neighborhood.

32. *How will Section 108 loan repayments be captured?*

A: In the current IDIS, the use of CDBG for Section 108 loan payments is recorded using either matrix code 19F or 19G; no additional information is required at this time.

33. *What is meant by the term “stabilized” for homeless persons?*

A: Stabilized means that the person or family received overnight shelter or services. It is not intended to mean that permanent housing was provided.

34. *Is EDI or BEDI currently covered by the framework?*

A: Section 108 is not currently reported in IDIS and since EDI and BEDI are linked to the Section 108 program, reporting on EDI and BEDI will not be required at this time.

35. *How does the American Dream Downpayment Initiative (ADDI) get reported?*

A: It is reported using the HOME program screens.

36. *How will rehabilitation soft costs or activity delivery costs be counted within the system?*

A: Rehabilitation soft costs or activity delivery costs need not be individually identified in this performance measurement system. However, CDBG grantees should follow the current guidance available on the HUD website for reporting CDBG accomplishments in IDIS

37. *What is the difference between new or improved access?*

A: Where a service or facility did not exist, the assistance provided results in “new” access to that service or facility. Where a service/facility was limited in size or capacity, and the assistance expanded the existing service or facility, the result would be improved access.

38. *Does the framework apply to activities conducted under the urgent need national objective?*

A: Yes. The grantee would review the activities they are funding and the anticipated outcomes and then enter the activity and performance data into IDIS accordingly.

39. *Will there be an “other” category for indicators?*

A: No the only way that IDIS can capture information from the indicators is by using a standardized language and format. HUD needs to be able to aggregate this data nationwide and it would not be possible to sort similar outcomes reported an “other” category.

40. *Will the outcome framework apply to program income and CDBG float funded activities too?*

A: Yes. When data on the expenditure of program income is entered into IDIS, outcome data will also be entered. Float funded activities are CDBG assisted activities and, as such, will require information for performance measurement, as appropriate.

41. *Do the indicators tie to the CDBG matrix codes?*

A: Yes, in the CDBG portions of the system, the matrix code and national objective will produce the indicators that could result from that activity.

- 42. CPD Notice # 03-09 encouraged local grantees to adopt performance measurement systems. Grantees were asked to develop local performance measurement systems and to report on the status of the development and/or use of that system in their next CAPER. Are grantees still obligated to follow that local system or is it sufficient to comply with the CPD Outcome Framework?**

A: For grantees that have not developed local performance measurement systems, the performance measurement system incorporated into IDIS will be sufficient for HUD's purpose of gathering results nationally. Many grantees have developed and use more detailed local performance measurement systems that permit them to evaluate at a local level and for local purposes. Those grantees should continue to use their systems and other grantees may want to consider developing more detailed systems for their local programs. However, HUD is not requiring that this be done.

IMPLEMENTATION OF THE FRAMEWORK

- 43. What parts of the system and/or data elements will be mandatory?**

A: Grantees will select and report an objective, and an outcome for each activity and then will report the specific indicators that describe each activity, as.

- 44. Will the system function at an "activity" or a "project" level?**

A: All performance measurement data will need to be entered into IDIS at the "activity" level. The activity type (and national objective for CDBG-assisted activities) will dictate which output indicator fields are required for entry on each.

- 45. When will the system be effective and grantees be expected to start collecting data?**

A: Grantees will have the ability to report performance data, using the existing IDIS, in Spring 2006. The re-engineered IDIS will be released in Fall 2006 and grantees will be required to enter information on objectives, outcomes, and indicators at that time. Because OMB, GAO, Congress, or other stakeholders can request reports on current program accomplishments at any time, grantees are strongly encouraged to begin data entry in Spring 2006 so that HUD can quickly begin to demonstrate the results of these programs.

- 46. Will there be any difference in implementation across types of grantees or HUD programs?**

A: The CPD Performance Measurement System will be used to report the four CPD formula grant programs in IDIS and all grantees of those programs will follow the same basic process for identifying goals and outcomes, and reporting on indicators. This system is not designed to capture information on CPD-competitive or other HUD programs.

- 47. If a grantee already implemented an outcome system, can they use that instead of the HUD system?**

A: No, the standardized format of the performance measurement framework is what permits the data to be captured and aggregated by IDIS into national numbers. It would not be

practical, at this time, to try to incorporate the various electronic systems used by hundreds of grantees into one workable system. Therefore, all grantees will be required to report data using the IDIS. Grantees are still encouraged to use or develop local performance measurement systems that can be used to evaluate local programs more effectively.

48. *Will HUD monitor a grantee's files to verify the accuracy of the outcome reporting? Will there be any checking of productivity?*

A: Yes, grantees should have records to support data input into IDIS. HUD expects grantees to use their best judgment in entering data into the system. HUD will check to ensure that grantees are indeed entering data on each of their projects. HUD does not intend to use the outcome framework as a monitoring tool but may, in the future, use the data to report on grantee activities, similar to what is currently done for the HOME PJ snapshots.

49. *What will HUD do with the data entered into the system?*

A: HUD will use the data entered by grantees to develop a composite picture of the results of these programs. This will include developing outcome statements that summarize national results across activity or grantee types. HUD may also combine the system data with other, nationally available data (such as Census) to track trends such as homeownership rates or business creation. HUD will also use the outcome statements to develop the Department's Performance and Accountability Report that is prepared annually and to help establish goals for the Annual Performance Plans that are also developed each year. Additionally, the information can be used to respond to various inquiries routinely submitted by members of Congress and other elected officials, public interest associations, and interested citizens.

50. *Will reporting be retroactive?*

A: Grantees will not be required to enter data for activities that are already completed in IDIS. However, grantees will be requested to report performance measurement data for all open activities in May 2006 and in Fall 2006, grantees will be required to report performance measurement data for all open activities. While much of the data will be information that grantees currently collect, grantees are encouraged to begin now to collect any additional data that might be necessary from sub-recipients, sub-grantees, developers, and CHDOs for any activity likely to remain open in FY 2006.

51. *Will this system require that grantees change their program year to match up with the federal program year?*

A: No. The timing of an individual grantee's program year should have no impact on the function of the framework system.

52. *How can grantees pay for the costs of setting up the needed local data collection systems and reporting forms?*

A: Grantees may use administrative dollars under each of the programs to implement performance measurement.

53. *If the activity is an infrastructure activity and the national objective is area benefit, when is the data entered.*

A: When the activity is categorized under area benefit, the objective and outcome can be entered at the time the project is funded. The indicators will be reported when the activity is completed.

54. *At what point in time should activities be reported?*

A: At a minimum, it is required that the grantee reports on activities annually at the end of their program year. However, if the grantee receives periodic reports from its subrecipients and can enter data monthly or quarterly that is encouraged and will lessen the reporting burden at the end of the year and provide more information for HUD to provide to various agencies or stakeholders when requested.

55. *Will the outcome information be used for benchmarking or comparing grantees? Will benchmarks drive funding decisions?*

A: The outcome information will not be used in the federal funding allocation and it is not a component of the program formulas. HUD does not intend to use the outcome framework information to set productivity targets or benchmarks. However, HUD will, at some time in the future, share data on the outcomes of all programs, similar to the HOME Snapshots.

CONSOLIDATED PLAN AND CAPER

56. *Are grantees expected to write outcome statements at the end of the year?*

A: No. Grantees will simply enter their data as activities are completed. At the end of the year, the grantee will submit a CAPEER final report with a narrative summary of their programs. Grantees will not need to write outcome statements for each activity. Rather, HUD will aggregate the data and produce national outcome statements for each of the four programs.

57. *What changes are expected to the CAPER? How will this framework work with the CAPER?*

A: HUD intends to undertake a process of evaluating the CAPER and assessing which data can be reported automatically through IDIS and which narratives must continue to be submitted by the grantee.

58. *When will the CAPER changes occur?*

A: HUD will implement the changes to the CAPER after the IDIS update is complete. This is anticipated to be in Fall FY 2007.

59. *What changes are expected to the Consolidated Plan and Action Plan? How will grantees identify objectives and outcomes in their Consolidated Plan and Action Plan?*

A: Grantees will specify the objective and the outcome for each activity listed in their consolidated plan or action plan. HUD expects jurisdictions to begin identifying performance measurements, as described in the Federal Register notice, in FY2007 plans and, if possible, in plans that are developed for FY2006

60. *How will the performance measurement system integrate with the Consolidated Plan Management Process (CPMP) tool?*

A: HUD plans to update the Consolidated Plan and the Action Plan template to include a place for grantees to indicate how planned activities will identify the objective and outcome anticipated to be realized by each. The indicators will be reported as part of the accomplishment data in IDIS.

61. *If a grantee recently finished its five- year Consolidated Plan or Annual Action Plan, do they need to revise it?*

A: No. Grantees do not have to revise FY 2006 plans. However, language can be added to FY 2006 plans to identify the objective and the outcome for each activity, without being considered a substantial amendment. However, grantees will be required to incorporate performance measurement language into FY 2007 plans.

62. *We have a Consolidated Plan and an Action Plan format that is effective for us locally. Do I need to redo this approach to incorporate performance measurement?*

A: Consolidated plans and annual action plans will have to include the intended objective and outcome for each activity proposed. This will mean adding the appropriate objective and outcome, as described in the Federal Register notice. The indicators will be populated on IDIS screens for grantees to select.

63. *What happens to a grantee if it does not achieve the outcomes it establishes in its Con Plan and Action Plan?*

A: This process is intended to foster good planning and reporting and is not intended to be punitive. If grantees have undertaken eligible activities and are within all other program requirements, including timeliness, there will not be HUD findings related to performance measurement. However, if it appears that a program is consistently not meeting its goals, this could raise compliance issues and HUD may offer TA or guidance in addressing planning or productivity issues.

IDIS

64. *What specific changes are expected to IDIS? How will this framework work with IDIS?*

A: The current IDIS is being revised to include performance measurement data for all programs. HUD expects that in Spring 2006, grantees will be able to input that data. In addition, Phase I of the IDIS re-engineering is expected to be released in Fall 2006. This will make IDIS significantly easier to use. The re-engineered IDIS will facilitate data entry, have

user-friendly screens, and will be able to generate a number of new reports, including performance reports and reports specifically for State and local grantees.

65. *When will IDIS be able to accept these objectives/outcomes and the new indicator data elements?*

A: Performance measurement data will be added to the current IDIS and is expected to be available for use in the spring of 2006. HUD expects to formally release Phase 1 in the fall of 2006.

66. *Will grantees have an opportunity to comment further on the performance measures in IDIS.*

A: HUD will use feedback and any information gathered during the Spring 2006 release to identify any changes that should be addressed.

67. *Are the output indicators in addition to or instead of the current IDIS accomplishments data?*

A: In some cases, the indicators will be additional information that will be reported when activity accomplishments are entered into IDIS.

68. *Are grantees still required to complete the IDIS data clean-up process?*

A: Yes, although HUD believes that most grantees should be at the end of this process.

69. *Will IDIS be programmed to allow for both local ad-hoc and national reports?*

A: Yes, this is currently planned for the Fall 2006 version of IDIS.

70. *How will IDIS handle the reporting of outcomes after end of the grant period for a unit of local government (UGLG) receiving funds from an urban county? For example, assume that the urban county gave funds to a small town to do an economic development project where the funds were expended but the jobs were still being reported.*

A: The activity would remain open in IDIS and the grantee could continue to report output indicators until the activity is completed.

71. *Will IDIS have access to other data sets for the purposes of quantifying output indicators?*

A: Yes, for example, the revised version of IDIS will use Census data for CDBG area benefit activities

TRAINING AND OUTREACH

72. *Will HUD publish a guide to explain what each of the indicators mean? When will guidance be provided on IDIS changes regarding the new CDBG data?*

A: Yes, HUD plans to issue additional guidance in calendar year 2006.

73. *What follow-up training and technical assistance will be available?*

A: Once the notice is finalized, HUD is planning on having a series of training sessions in the early part of calendar year 2006. HUD Field Office staff will be available to provide technical assistance, answer questions, and help ensure completeness of grantee reporting.

74. *Will HUD Field Office staff attend the upcoming training sessions on the outcome framework and its implementation?*

A: Yes, HUD intends to train field office staff on the new performance measurement system.

75. *Will HUD Field Office staff be available to assist grantees in selecting the appropriate outcomes for their projects?*

A: HUD staff will be available to provide technical assistance throughout the implementation process. However, selection of appropriate outcomes is fundamentally a local decision.

76. *Our subrecipients are likely to resist providing us with the needed data. What can we do to compel compliance?*

A: First, it is important that the subrecipient understands why the system is needed. Second, it is important to impress upon the subrecipient that performance measurement can be an important local tool for measuring progress and thus is a priority from the federal government down to the local. In fact, HUD has made this a mandatory requirement and will be reviewing grantees for the completeness of their data reporting. As a result, if the subrecipient is unable to provide the needed data, the grantee should determine that the subrecipient is not eligible for continued CPD funding