

HUD NSP Problem Solving Clinics

In early 2010, HUD offered a series of locally-based Neighborhood Stabilization Program (NSP) Problem Solving Clinics on implementing the NSP program. The clinics were targeted to the needs of individual housing markets and thus were open to grantees and their nonprofit, developer and financial institution/ lender partners from each local market area.

The NSP Problem Solving Clinic provided grantee, non-profit staff, and other stakeholders access to technical experts and HUD staff that were able to field program design and implementation questions, provide clarifications on regulations, and suggest alternative approaches to address hurdles and roadblocks.

Both one-on-one sessions between specific grantees and experts, as well as more general workshop sessions were offered. Below is the transcript from one of the workshops.

Workshop: DRGR Primer

Presenters: Janine Cuneo, Urban Land Institute & Jessie Handforth Kome, HUD

JANINE CUNEO: So we are here for what I want to call Demystifying DRGR to the extent we can in 45 minutes. Our goal really is to give you some tools to go back to your community and empower you with some knowledge about DRGR—what it is, how you use it. We'll be specifically focusing on the QPRs today which is the Quarterly Performance Reports, because many of you are at that point as best we can judge. So really, we'll do a little bit of overview as well as do a deeper dive into QPRs.

But before we go ahead and do that, I want to introduce myself, introduce Jessie, and I see a couple HUD staff also in the room that you either talked to or you might talk to from the helpdesk or different things...I want to make sure we introduce everyone that might be apart of this. So my name's Janine Cuneo. I am currently with the Urban Land Institute which is a technical assistance provider for the NSP program, and I formerly was with HUD on disaster recovery. So you'll find out in a second that DRGR stands for Disaster Recovery Grant Reporting, so there is a nice dovetail into some of my previous work and the current TA provider work.

JESSIE HANDFORTH KOME: I am Jessie Handforth Kome, I am the Deputy Director of the Office of Block Grant Assistance and in a former life I was the Disaster Recovery Division Director, and before that I was the second system administrator for DRGR. Some of you may know Bob Brever who works on IDIS now, he was the first. So I'm being sort of brought back into this to help out and answer questions related to NSP, because I was involved on the NSP program design. I think we really want to call out Mark Mitchell who is lurking over there [points to him (sitting in audience)] who is the current DRGR System Administrator and sort of system owner. And he is the Deputy Director of the Disaster Recovery and Special Issues Division.

NSP has four billion dollars in DRGR and the Disaster Recovery programs have 29 billion dollars in DRGR. So it's one of the major financial systems and reporting systems in the department even though most people never heard about it before NSP.

JANINE CUNEO: So again, we'll go over the overview, deep dive into QPRs, and I'm going to give you some quick tips and resources for take homes. Again, we want to empower you to really feel comfortable with this tool and use it at home as a user tool.

The first is. "What is this? What are we talking about?" Again, it's called the Disaster Grant Reporting System. It's an online computer system that's not just for you the users, but also for HUD. They also will send things to congress, et cetera. So it's really a very robust tool for many, many users. As well, it's something that's really going to help everyone understand your program reporting and performance measures, but also your invoices and draws. So, I think that is a very exciting part to this, is that everything is hooked up and locked together. Something I definitely want to applaud HUD for figuring that out and putting that system together to have everything like that.

Just some basics of what you use it for. You put your submit information activities funded through your actions plans. You can group and track activities by projects. You can create and approve vouchers to draw down and then you can also submit quarterly performance reports. The last thing I'd like to put in there if that's okay also is, you can run reports. And this is an exciting new tool; I have found that really can help you the users and you can run three different types of reports: admin, financial and performance. That you as a user can now run reports, make sure you're rectifying with your financial divisions, that you're getting close to your performance recording requirements, et cetera. This is really key for you the users as well as for HUD to be able to run some master reporting mechanisms.

JESSIE HANDFORTH KOME: And the NSP TA providers, it's a major. We have TA providers for NSP and also DRGR. Their performance is being tracked against the performance of the NSP1 and later NSP2 grantees that they assist. It makes our TA providers very enthusiastic about getting you to report regularly in DRGR, because we track whether they're doing a good job based on whether they're actually turning your programs around and getting performance both in terms of obligations of expenditures and in terms of units. That's a huge sea change where we're actually binding the TA to whether you get results in the programs. So if you hear your TA providers coming after you saying, "Get your stuff in, please get your stuff in, I helped you, please get your stuff in," that's why, they're very motivated.

JANINE CUNEO: Yes. We work as a team, so we're excited about that. I just wanted to, just a couple seconds, just go through the information flow. Some people get stuck on, "Is it my turn to do something? Is it HUD's turn to do something? Who's turn is it?" So just two seconds, I want to let you know, you will as a grantee—and I'm talking about an Action Plan here, you'll get to the QPR in one second, but for the Action Plan you will first do the original in-progress version. You're drafting it yourself, you're drafting the original process. Then you submit it and then it says in your status 'Submitted, await for review.' At that point, it's really on HUD's CPD

staff to review your Action Plan—potentially call you, connect with you. Sometimes what will happen, and I'm using this as an example, and I'm not saying it will happen every time, but there are times where it will get rejected. And that means it gets kicked back to the grantee and it's a 'Rejected, await for modification.'

And now it's your hands as a grantee to modify and work on the different issues that it was rejected for. And then you will as a grantee submit it again. And again 'Submitted, Await for Approval.' And you will hope that this time it gets approved and now your status looks like 'Reviewed and approved.' And at this point it really becomes a locked, approved Action Plan.

The exciting part of this—this is the exact same process for QPRs. The same screens you will see for original and progress, modified, when it gets reviewed and approved. It's the same for the Action Plan or the QPR. So you'll be seeing a lot of this nomenclature and that's the exciting part, you'll just repeat it for each QPR. Not saying you'll repeat the 'reject' part of this, but you'll repeat the process for each QPR.

JESSIE HANDFORTH KOME: Right. And you've got to remember that an Action Plan can be amended again later. If you have to amend your program, the grantee can get in and amend the Action Plan, but once a QPR is locked, it takes an extraordinary action by one of the system administrators to allow it to be unlocked, because it's your submission of record, and they're meant to be point-in-time snapshots. So they stay locked. If you make a mistake or if an audit overturns and you have to repay in a way that actually causes a QPR to have to be redone, you're going to have to be dealing with the DRGR helpdesk to get that taken care of for you.

PERSON IN AUDIENCE: Is the grantee ever penalized for the number of times they submit an Action Plan?

JANINE CUNEO: There are no penalties associated. Sorry, I'll repeat the question. Is the grantee ever penalized for the number of times an Action Plan—or I'm going to say a QPR is rejected? No, that's the good news. However, you need to make sure you hit your marks for when you submit. For example, a QPR is 30 days after the calendar quarterly. So, if you don't hit that mark that becomes a point of an issue. But hit those marks and if you have to go back and forth and back and forth with your CPD and HUD office that's something you'll need to do and I think the joy of this, is once you go back again a couple times you start getting better and better and better.

JESSIE HANDFORTH KOME: You may find a TA provider suddenly standing at your elbow if you have to submit too many times. You may find somebody calling you and saying, "Can we help you with that." Which is a good thing, right?

PERSON IN AUDIENCE: Can you explain what a TA provider is?

JANINE CUNEO: Oh, of course, I'm sorry about that. We'll go step back a second. She asked what a TA provider is. A TA provider is a technical assistance provider. Part of HERA, part of the

second stimulus funds, there was part of the NSP2 funding that came out was also an additional 15 million dollars for NSP TA, or Neighborhood Stabilization Program Technical Assistance. And we, Urban Land Institute, as well as my colleagues—there are ten of us total, that have been instructed and have been given funding to provide technical assistance to you the grantees to getting you to good performance measurements, helping you to understand DRGR, helping you to understand how to do better rehab, relocation assistance, the gamut. Anything that is under the sun for these programs, it is our charge to work with you as grantees.

JESSIE HANDFORTH KOME: Some of them are sort of household names in our business. We have Urban Land Institute where Janine works, Enterprise, LISC, ICF—we have some big household names in the affordable housing community development business who have signed on in this team and are helping provide less compliance and more performance technical and practitioner assistance for the programs.

JANINE CUNEO: And I should give a little bit of plug. The website they were talking about that is going to be launched tomorrow—today though, live in the lobby, if you have specific technical assistance needs you're able to go to that website right now in the lobby and put down what your needs are as a community. So, for example, "I have no idea what I'm doing in DRGR." You can be very specific to broad and that will be logged in, and as Marsha said today—who is our ICF lead, we will get back to you in 24 to 48 hours and try and figure out what we can do. And working with HUD on those assignments.

PERSON IN AUDIENCE: Good morning. My name is Alisha Louis with the Metropolitan Washington Council of Governments. We actually formed a consortium with six of the jurisdictions within this region to apply for NSP2 funds. There are two questions I have about some of the initial information that you shared related to DRGR. The first is, so I understand that going through QPR, which speaks to the Quarterly Performance Reports, but understanding for NSP2 we will be required to submit monthly performance reports as well and didn't know if we would also be able to use this tool to do that. I didn't know if it will be termed an MPR.

JESSIE HANDFORTH KOME: We'll talk about that. We're going to not focus on NSP2 so much today because we're not there yet. But NSP1 and NSP2 from grant agreement forward are going to be very similar. Their time deadlines are a little different, but other than that DRGR will be used—all that stuff. And there is a way to sort of cheat and use DRGR for monthly reports. The TA providers are doing it sort of on the cutting edge and sort of testing it out and we'll be pushing that information forward.

PERSON IN AUDIENCE: Second question related to the draw downs for the funding for the activities. Considering that we are working with six different jurisdictions, is there a template that we can share with each jurisdiction—that they would feed the lead member that they would actually produce the information for DRGR.

JANINE CUNEO: Yeah. I think that is a possibility. That would be looked at through the DRGR system and my recommendation would be to look at that draw down system there and create a template off of that. To my knowledge it's not created at this point, is that correct?

JESSIE HANDFORTH KOME: No. There's some grantees that've created them and we can look and see if there is something we can lift. That's the fastest path.

MARK MITCHELL: I just want to say one thing real quickly on the Action Plans and QPRs. You can edit a QPR while an Action Plan is not in 'Approved' status, but if you don't see the submit button, it is typically because the Action Plan is not in 'Approved' status. In order to submit [a QPR], you have to have the Action Plan approved. Even if you make a minor modification, just check that status, get it back to your CDBR rep and get it back into approved status.

JANINE CUNEO: So this is a good point. I'm going to talk about Action Plans right now so thank you for segueing there. I'm not going to focus on Action Plans since most of us already have those done. But just to give a little two seconds on Action Plans. For those that are confused on what is an Action Plan, it is your NSP Substantial Amendment. So basically if that helps you. Action Plan, the DRGR Action Plan, is your NSP Substantial Amendment. Always think of it that way—just kind of put it into your mind, meld those two words together at this point when you're working on the system.

The Action Plan basics is really for you to insert your Action Plan narrative, or Substantial Amendment narratives—you're going to hear me say this a few times. It is for you to work on projects and activities, and it also is for you to submit, like Mark was saying, to HUD to get that approved. Jessie said earlier you can amend your Action Plan. What that means is, for example, some people have incorrectly put in codes for Action Plans (we'll review that in second) you're able to go back in and amend it. And again you have to resubmit and resubmit again every time you amend that Action Plan or else you're not able to do the next functions. So think of your DRGR Action Plan as the template, as the base for everything you do. You do your draws off the work you put in the Action Plan. You do your QPRs. So it's a very important thing to recognize what your projects are and what your activities are when you do your Action Plan. And I'll talk about those in just one second.

I want to first just have us all on board on what the screen [references slide] is going to look like when you see it. So you will have on top here, which is the main navigation bar, and as you see: an Action Plans, you can do draw downs, QPRs, reports and grants. This always is your module title, so we have it highlighted here and the Action Plan should always meet up. This is your screen title, for example, this time we're looking and we're reviewing Action Plans for this grantee. Here is your nav bar. People will see a little bit of different things here per user right. Some people have user rights. Jessie and Mark have these supper user rights, so they pretty much can see any and everything. Some of us may have more narrow user rights—so this will be dependent on what your user rights are, but this is a pretty standard right, so it is probably good for you to walk away with that.

You can do different understandings of Action Plans. Because we're in the Action Plan module, you can add some projects to it. That might be different per QPR draw down. As well, this is a really good place to look at. This is where your reporting function is—and we'll get to that at the end of it. But also your help index. And I'm a big fan; go to your help, stop, give your self a second, reassess and figure out from your help index what you can use. The help is also over here if you need any help with your page.

Just to give you a sense of what we're looking at here. We've pulled up the state of Maryland grantee. If you look here the grantee number has a 'DN', that is your NSP, with the 'N' there that means it is your NSP. Some people have a lot. They have a lot of disaster, they've done a lot of disasters before and worked with this grant reporting system. Some of you might only have one and that's okay because that's all you have for NSP. And then you can see over here your Action Plan status. 'Reviewed and approved,' that means they have received from HUD a reviewed and approved. You can also read your QPRs. And your grant status is active, meaning you're currently still working on it, your contract is not closed with HUD. This is a great place just to get you started to make you stop and assess, "Where am I with my Action Plan?" before you do your QPR or your draws. "Is my Action Plan still submitted and approved?" So always double check if you change it a little bit.

In just a second we'll go onto projects versus activities. Very, very, very important. Again, very, very, very important here. Projects and activities, think of it like a tree. You have your branch or your base and that is your project. So there is five eligible uses and really I'd like to say six here because we include admin. We have admin as one of the eligible uses, another one redevelopment, land banking, financial mechanisms is another one. So these are your projects.

Underneath the projects you have activities. You can have numerous activities under a project. So, for example, one activity—and sorry, I'm going to pick on DC because we were just talking to them, and they are doing the project of redevelopment. And they're working with multiple providers/subgrantees/subcontractors, so they have a different activity per that.

Interestingly, let's say for example Habitat—and they're going to be doing ten units with Habitat that are in the 80 percent AMI and also with Habitat they are doing five units that are meeting their 25 percent set aside. I'd really like to point that out, that those are two different activities. So really think about it that way. And why is that? Because that is a whole different set aside that you are meeting for that low income—very low income set aside that has been a national objective for us. So think about it that way. So you have a project is rehab, acquisition and redevelopment and underneath projects you can have multiple activities. Again, admin is also a project. So think of it that way for your admin costs as a grantee; it is a project. Again, this is your template for everything—your QPRs, your draws, making sure that you've gotten your loan from set aside.

JESSIE HANDFORTH KOME: And one of the things that we've been recommending for the project level for NSP which is different from Disaster Recovery is you've done that and I think the State of Maryland has is that we're recommending that you use the eligible uses at the

project level wherever possible. So A, B, C, D and E...and admin. Not everybody is doing that, but out of the 308 grantees, I think 8 aren't. So that's mostly what you'll see at the project level—eligibility speed, purchase rehab. Or, A financing mechanisms, and the activities under the projects.

JANINE CUNEO: Now how do they recommend that? In the activity titles, you are able to put what you need for those activity titles. So make sure you are using what your systems are. Some people might want to match it up to the contract number they might have with a subgrantee. Some people might want to match it up to the cost codes they might have. Work with your financial people to make sure you're using this tool for all of your uses. So it's not just a DRGR use to report to HUD. Have it be a useful tool for reconciling, et cetera.

PERSON IN AUDIENCE: I was just wondering how the idea of the Action Plan relates to projects. In other words, is there one Action Plan for each project?

JESSIE HANDFORTH KOME: No, the Action Plan is made of projects and activities.

JANINE CUNEO: So you want to have one Action Plan per Substantial Amendment. And I say that clearly, because you might have a Disaster Recovery grant two years ago and now you might have your new NSP1 grant. Then you might get an NSP2 grant and that's a whole different Action Plan, but it's per grant that you get this. So there is only one Action Plan for NSP1.

JESSIE HANDFORTH KOME: Yeah, and one way to think of this is that in some ways DRGR, because it's a financial system, is like a giant ATM and you have to put information in, in order to get money out because money is drawn against the activity level. So, information in, money out—just remember that.

JANINE CUNEO: It's got to be a motive to any factor. So we're going to deep dive into QPRs for a few minutes and then come back out to some resources that can empower you to go back to your communities. So QPRs. First just viewing QPRs—what it means, what it looks like. There's three ways to look at a QPR: one is view, which is your official submitted version, another is you can download it, and the third is you can review it. And really that's going to depend on your status with your administrator which is CPD and HUD. Just an example here, we now have again QPR on our nav bar and it says 'view all reports.' So you will see that you can add an edit and you'll be able to see your QPRs—your past, your current. So go ahead and use that screen actively.

I just want to talk for a second about QPRs in your overall level. There's two levels here I really want to pronounce here. Your overall level and your activity level of your QPR. Your overall level really gives you the opportunity to display narratively how you guys are doing, what you're doing, what happened in this last quarter. I'm going to say over and over again, if they next person comes, what can they tell from the QPR. Really important. Think of it as a blind person walking in, they're seeing the site, and how do they read this QPR where they've never seen it

before. So really encouraging you to think what has your community done in the last three months is a great place for this overall narrative to happen. And the level of detail is up to you as a grantee, but I highly recommend that you make sure it is robust enough that someone can understand what that looks like.

JESSIE HANDFORTH KOME: Especially starting with your rep, but I don't know how many [inaudible] users in the systems, occasionally there are reporters moving in and out of the system. We're pulling reports and they're going to be putting up on the website that'll have some of the material here. This is a chance to tell your rep the story, but it's also a chance to say this is where we are with the program and this is where we are going in the next three months. It doesn't have to be long, but it should be robust.

JANINE CUNEO: And also, I want to encourage it for you too—for you to report to council members, to make sure the CFO is on the same page as the DRGR, et cetera. So I really want to encourage you to think about this as a tool for yourselves for reporting. Because this can really be a system where you pull out a PDF and you've got your report done. For me, I just can't imagine a better, more exciting moment for someone doing a lot of reports in the system, they finish their QPR, they get it approved, print, it's off to whomever is in charge who would like to see the status. So the program is moving very quickly—it's very important to have those tools on hand, where you're not having to recreate whole reports, et cetera.

Just a really quick thing to touch on. The overall progress narrative has some basics in here—the grant number, who the grantee is, your grant amount, your status, but it also has some dates in there. If those dates aren't in there please, please call the DRGR helpdesk and get those dates in there. So we're asking grantees to be the quality control check as well as HUD. So ultimately, it's your responsibility—so make sure the basics are in there. If you can not input them—like the dates, you can call HUD helpdesk and have them put those dates in there. So now I'm back down to the activity level. And this is where basically accomplishment, draw downs, obligations, expenditure should only be listed for that quarter. Again: for that quarter. And the computer its self will calculate the cumulative amounts for you.

JESSIE HANDFORTH KOME: You should know HUD staff can't see this screen for the most part. This is a data input screen—grantees and HUD can both see the screen that's called 'View QPR.' So when you call your HUD person and you say, "On this screen, I can't get this to go in here," they can't see that screen with you unless you use live meeting or something like that, but the help desk can—they have the training to be able to do it. If you really get stuck then they'll back the question to Mark or me or somebody who works for Mark. This is one of the screens that your HUD staff can't see. The financial screens are the other ones.

JANINE CUNEO: So you get to play around with this a little bit. Save it. Save it often, and then you're able to submit it to HUD. So take a couple seconds to allow yourself to get comfortable with this system, because as Jessie said, they're not submitting this, they're not seeing this. You're able to use your own internal time to make sure you got this right. Just an example here. So we're on activity type rehab, reconstruction, residential structures and this is where you're

going to start filling out the actual addresses that are going to be assisted, the performance measures, and then some of the funding and obligation.

JESSIE HANDFORTH KOME: If you could go back one [references slide presentation], I'd like to just show—this grantee made an interesting choice. That grantee activity number that they have on that line there is BRPHA14B. Those of you who work with IDIS probably have a good idea of what a 14B is. They've decided to put in—PHA is probably public housing authority, I'm not sure what BR is—it means something to them, but that 14B they used their IDIS code for the eligible activities. So they're not only looking at this just from an NSP point of view, they're also trying to make sure they have an eligible activity and they're thinking about it that way. And that's their choice. It's always interesting to see what grantees do with those numbers in that field.

JANINE CUNEO: So again, you'll see this screen and it has on the left hand column all your different funding and budgeting things that have happened and in the middle you have that quarter's performance that you are imputing. So please recognize—you're only doing it for that quarter. Can't express that enough—if you start doing cumulatives it gets the whole system a little bit crazy.

JESSIE HANDFORTH KOME: Bad things happen.

JANINE CUNEO: So just some thoughts on completing the DRGR QPRs on activity levels. You're not required on each activity for each quarter to pull funds or obligate funds—not a requirement. So, for example, if you have ten activities total. So I'm going to go back and say you have two projects—you're doing rehab and land banking and in rehab you have eight activities and in land banking you have two activities. Land banking was the only thing that quarter you guys did anything on. So there is two activities you obligated funds for landbanking. You do not have to talk at all about the obligation of the other eight activities. I highly recommend that you do though. It will be in your narrative section. For example, for activity under the rehab: environmental review complete. The next activity, procurement complete. It really demonstrates how far you guys are moving along. It will help HUD recognize where maybe you need some technical assistance, it also will hopefully help you recognize where some of your needs are too. So it kind of gives you a stopping point for that. For the QPR, at the end of every quarter, you obviously want to put down where you are obligating your funds, but then those activities that you are not obligating funds to you put in your narrative how far you are.

JESSIE HANDFORTH KOME: And the number one question that you get from grantees, or that I am getting from grantees is, "What does HUD want? What is HUD looking for in a QPR?" Well, one of the things that we are teaching HUD staff to look for is 'what are the activities you're not reporting on? what's not moving?' So if you put a little something about what the activity is, at least in your narrative, even if you haven't obligated or expended funds, that will really, really help limit the number of phone calls and possible rejections of your QPR.

JANINE CUNEO: Just some thoughts here. This is someone viewing their QPR screen. You always want to look at your admin and planning, if you're over that cap—you might now want to submit it, right? You can't be over your cap. So just double check in some of these screens. Have you reported on your program income receive? A very important point to keep on top of that every quarter. So just some ideas here to look at, double check on the activity level.

So just some basics on the QPRs. You need to submit within 30 days of the end of the calendar quarter. Make sure the program income is receipted, QPR and admin budgets **over** ten percent. Again, I'm going to say this again and again. Assume you're not doing this the next time, does the next person who's supposed to be doing this have enough information on the QPR, is there enough to say, that if for five quarters you don't have any activity going on—you don't have any narrative, any budgets or performance measures on one of the activities in five QPRs. That's a lot not to be able to demonstrate what you're doing. So really try to think about who's the next user of that.

JESSIE HANDFORTH KOME: And I think the counterpart is to think your HUD rep changes and don't get too short because the new one may not know what you're talking about. Tell your story.

JANINE CUNEO: And the last thing is to make sure you're hitting your 25 percent low-income set aside. Every quarter gives you an opportunity to see that.

PERSON IN AUDIENCE: If you see that somebody's not making any progress do you target them for some technical assistance?

JESSIE HANDFORTH KOME: Yes. We already are. We are already moving out to 40 what we are calling high need tier one grantees with needs assessments and we're moving onto a second group of 40 in...I have the list, we haven't approved it yet, but it's about to move ...and there is another group behind that. And the rest of it is request based. But everyone must do a needs assessment—either a self assessment, or the field officer do an assessment or you'll have somebody show up on your doorstep and do a need assessment before we're going to do direct TA. You can ask questions of course without that, but we're very, very focused on 'how are you doing?' We do have some great grantees, extremely high performing coming to us for finance or technical assistance and the field offices are mostly dealing with them. We're saving the TA resources for the providers we can see are not moving, that are in danger of losing their money in September, because you can't do the program with no money.

JANINE CUNEO: So one way they're seeing that is through these QPRs, right?

JESSIE HANDFORTH KOME: We look at DRGR for that, and that's why we really need you to put that information in there.

JANINE CUNEO: And correctly. To review your QPR, is one place you can be at, so this is in the QPR module. If you want to view all of your activities just go to 'activity by activity' is you just

want to get a little update narrative on that. It's a good way to look at and get your QPRs by activity, because again QPRs have two levels. There's the overall level which is giving you your overall narrative and then it goes activity by activity that you are submitting your obligation and your performance measures and your narratives on. So I'm going to keep making you think about it in those two ways. And why is it so important on the activity level? That's where you get the draws and the invoices from. Very, very important as well as telling where and how you are spending the money by project—by rehab, by acquisition...it rolls it all for you.

PERSON IN AUDIENCE: How would we or HUD account for a loss of funds that was entered into, I guess, the system. As an example, we are speaking about projects and activities. The project is acquisition, the activity of course is the environmental review, historic property review. Say, for instance the grantee places an option on a property, meaning it won't be on the general market because we have the first rights of purchase...all that good stuff and the option is based to allow us to an opportunity to review the property for whatever environmental remediation is needed. In the event that we lose our option, and you have to pay for an option, say seven grand, ten grand per unit—so that would have been a lose of funds. So we would have expended seven or ten grand for this property, how do you account for that, and what does HUD think about that?

JESSIE HANDFORTH KOME: The particular thing you're describing internally would just be swallowed under admin. If you do have a project completely fall through, you get the rehab work, the major construction work and then you discover that you're sitting on a Native American graveyard and you have to give up the property to the tribe, and you can't have it occupied...so you won't meet a national objective, talk to your HUD rep. We have a tolerance of a certain range of things like that happening because federal requirements play through or because something happened. We also had one that was discovered on a Superfund site...obviously you don't want to move a person in there. But in general, you do swallow up environmental review advance work as part of your administrative or planning work. You're looking for sites that will work. The sites that won't work...that's pre-work, that's not actually signing the construction contract yet. Now NSP has, we wrote into the notice, more toleration for deals that fall through than regular CDBG does, but we're going to be working that policy out with the reps and through the policy office as we go. It's not really a DRGR question so much.

JANINE CUNEO: So lastly, just some idea on finding problems in QPRs before submissions and after. Before. If it's saved, but not submitted, QPRs can be edited. Just simply edit it before submitting. Again, save, save, save. Edit, edit, edit. And then submit. So nothing you're doing is set into stone until you send it over to submit and then if there is a problem, you're rejected, and you try again. So this is really supposed to be a flow of information back and forth, but our suggestion is make it the best, best product you can before you hit that submit. But save, and save again, and save another time.

JESSIE HANDFORTH KOME: And I have a tool that...you're very special guinea pigs here on this first run...that we sent to the field offices for their use, the QPR checklist. This is the rough draft,

and I'm going to leave one for each grantee that came in this room for this training, you can take it. And send us back comments on whether it would be a useful tool to convert for you. I must tell you I got more than 50 comments back from the field, so it's going to be changing for the January reviews, but the general gist of it will give you 'what do we look for?' I mean that's a big question we get. And we're training our field staff what to look for at the same time. So if you want, when you leave, you can come pick this up so you can see what we're looking for. Okay?

JANINE CUNEO: Great tool for you guys to think about and use. Lastly, and Mark touched on this a little bit before, and I'm going to repeat for the sake of repeating because it's an important point is that if your Action Plan needs to be amended, for example, you have a new activity under rehab or maybe a whole new project then you need to amend that before your QPR submission. Amend the Action Plan, submit it and then I really recommend to call your rep and encourage them review it quickly so you can get your QPR in. But you are liable to get your QPR in 30 days after the calendar quarter. So if you have an Action Plan change or amendment, you need to do that in an appropriate amount of time so you can also get your QPR in.

If you're going to be late for your QPR submission, call your rep and give them a heads up and talk with them about that. If HUD does reject your QPR, make corrections within ten days. Again, call your rep if you're confused or you're not understanding, et cetera. They are there to be accessible to you, to understand where you are going wrong.

JESSIE HANDFORTH KOME: And the ten day rule is because HUD actually has to report to congress so we need to get the data sorted out pretty fast so we can do a data pull that's mostly accurate and send it off.

JANINE CUNEO: And they might notice that your Action Plan needs to be a little bit amended. For example, there's something that happened that you didn't realize, that might actually require a whole Action Plan amendment, they do have the opportunity to accept your QPR and tell you to do it or they might just have to wholesale reject it and you've got to go back and amend your Action Plan, then do your QPR amendment, then send it back. So just kind of think about that process as well. It's always a give and take, back and forth. And if your QPR is late once, HUD will send you an email reminder to be on time next time. If you're late again there could begin to be some compliance issues, so get them in on time.

JESSIE HANDFORTH KOME: If you're late again, we're probably going to have to fine you. We have people at our back auditing us too and that's what the procedure says. You get one and then we have to make a fine.

JANINE CUNEO: So again, if you need to have an Action Plan change amendment you've got to back yourself enough time to amend it, send it in, HUD can approve it and then you send in your QPR. Don't forget that, if you know, 'that's a whole other activity I've got to get going'...so give yourself that time and give HUD that time.

I just want to give some quick tips...a little bit of empower you to walk away with this. Don't hesitate to navigate using the DRGR links. Never use the back button. Never use the back button. We might all have to sing on this again. Never use the back button. And the other most important thing, save early, save often, save early, save often. And then just some other little things to think about. The NSP grant number always has the 'N' in it, so in case you have multiple different grants...for example the disaster grant and that will help you try to identify which ones are NSP. Just something else to take home for you, and again I'm not going to go through it, it's just a grant lifecycle for DRGR. So you have the grant and activities set up and funding and go into the activity obligation and draw down and you go into reporting. So this is kind of the three step process and it kind of takes you through...

JESSIE HANDFORTH KOME: And who's responsible for what.

JANINE CUNEO: Very important to understand truthfully. Take a second and make sure you're understanding all that. If you need to get new users this is how you get that, again, it's in your packets, so feel free to follow those steps. Make sure that you have enough users and I'm going to say that again and again, because if someone goes on vacation that is not an excuse to be late. HUD does not need or care about that issues. What they care about is that you are proactive, think about how many users you have and who has certain rights to that system and what those mean.

PERSON IN AUDIENCE: [asks about where can get document being shown on slide]

JANINE CUNEO: Yes, it's on the web. And when I'm taking about who has user rights...so you're able to, who ever is your super user in your community, in your city, they are able to assign...

JESSIE HANDFORTH KOME: Grantee admin.

JANINE CUNEO: Grantee admin, thank you. They are able to assign and remove a user based on each grant number...so you're able to change it back and forth. So I think we've kind of hit on all the basics, the last thing is a reports module that I want you guys to kind of think about and look at and use a little bit and finally where is it—HUD DRGR website. And there you have a user guide for DRGR draw downs, some training modules that Mark put up—in that training module is where that grant lifecycle is, so use that, it's a great tool I have to say. And then some FAQ's with NSP updates.

JESSIE HANDFORTH KOME: There is a tremendous amount of information online as we would expect from an online system.

And we're getting the cut sign from the back of the room so we'll stay for a few minutes and answer questions and then the next group will be coming in.

JANINE CUNEO: And Mark and I are sitting at the DRGR table. I know people have signed up, but if you see there is not a lot of people don't hesitate to ask one of us. And I'm just going to offer Jessie as well.

JESSIE HANDFORTH KOME: Thank you everyone.

JANINE CUNEO: Thank you.