

This page is located on the U.S. Department of Housing and Urban Development's Homes and Communities Web site at <http://www.hud.gov/offices/cpd/about/performance/index.cfm>.



Performance Measurements

The purpose of this page is to allow HUD to publish collected data on the outcomes of activities funded by CPD Formula Grant Assistance.



Background

Many CPD grantees have been frustrated by the inability to "tell their story" to their citizens and other stakeholders about the many positive outcomes of the investments they have made in their communities using federal, state, and local resources. The inability to clearly demonstrate program results at the national level, which is the standard required by OMB's program assessment process, can have serious consequences on program budgets.

An outcome performance measurement system for the Community Development Block Grant (CDBG) Program, HOME Investment Partnerships Program (HOME), Emergency Shelter Grants (ESG), and the Housing Opportunities for Persons with AIDS Program (HOPWA) has been developed by a joint working group made up of members of the Council of State Community Development Agencies (COSCDA), the National Community Development Association (NCDCA), the National Association for County Community Economic Development (NACCED), the National Association of Housing and Redevelopment Officials (NAHRO), the National Council of State Housing Agencies (NCSHA), CPD and HUD's Office of Policy Development and Research (PD&R), and the Office of Management and Budget (OMB). The implementation of the outcome performance measurement system and its use by grantees will enable HUD to collect information on the outcomes of activities funded with CPD formula grant assistance. This data will be entered into the Integrated Disbursement and Information System (IDIS) and will be aggregated at the national level to provide HUD with the information necessary to show the national results and benefits of the expenditure of federal funds using these four CPD formula grant programs.

Resources

Notice of Outcome Performance Measurement System for Community Planning and Development Formula Grant Programs

Following the culmination of two years of cooperative work between national community development interest groups, the Office of Management and Budget, and HUD, the Department is pleased to provide the Notice on the Outcome Performance Measurement System for Community Planning and Development's Formula Grant Programs. This notice went on public display on March 3, 2006 and was published in the "Federal Register" on March 7, 2006. The notice describes the performance measurement system and how the system will be implemented. This system will allow HUD, based on grantee input, to describe the outcomes produced nationally by approximately \$7 billion of CDBG, HOME, HOPWA and ESG formula grant funds.

Word - Notice | Appendix

PDF - Notice and Appendix

Provide Feedback on Draft CDBG, ESG, and HOPWA IDIS Screens

The CDBG, ESG, and HOPWA Programs would like your feedback on their proposed new IDIS Performance Measurement Screens. These screens will be available in IDIS in Spring 2006. Therefore, comments on the proposed screens are requested by January 6, 2006.

[more...](#)

Provide Feedback on New HOME IDIS Screens

The Office of Affordable Housing Programs would like your feedback on its proposed new IDIS HOME Performance Measurement Screens. These screens will be available in IDIS in Spring 2006. Therefore, comments on the proposed screens are requested by January 6, 2006.

[more...](#)

Questions and Answers, November 18, 2005

CPD Performance Measurement Outcome System questions and answers relating to the framework format and indicators, implementation of the framework, the Consolidated Plan and CAPER, IDIS, and training and outreach.

[more...](#)

Interim Update on Performance Measurement

During July and August 2005, CPD conducted regional feedback sessions to solicit comments on the proposed performance measurement system that was published in the Federal Register on June 10, 2005.

[more...](#)

June 10, 2005 Federal Register Notice

Notice of Draft Outcome Performance Measurement System for Community Planning and Development Formula Grant Programs

[more in PDF](#) | [more in Text](#)

Slide Presentation for Regional Feedback Sessions

This PowerPoint presentation was based on the proposed outcome performance measurement system, published in the Federal Register Notice on June 10, 2005, and was used in July and August of 2005 at the 5 Regional Sessions. When the Final Notice is published, there could be some changes made to the final framework, but it is not expected that those clarifications or corrections will change the basic format. However, these slides reference indicators by the numbers associated with them in the June notice and HUD expects one of the clarifications to include changing the numerical order of the indicators.

[more...](#)

Outcome Performance Measures Webcast

An explanation of the outcome performance measurement system that was published in the Federal Register on June 10, 2005.

[Without Captions](#) | [With Captions](#) | [Presentation](#)

Content updated May 2, 2007

U.S. Department of Housing and Urban Development

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Federal Register

Tuesday,
March 7, 2006

Part III

Department of Housing and Urban Development

Notice of Outcome Performance
Measurement System for Community
Planning and Development Formula
Grant Programs; Notice

**DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT**

[Docket No. FR-4970-N-02]

**Notice of Outcome Performance
Measurement System for Community
Planning and Development Formula
Grant Programs**

AGENCY: Office of the Assistant
Secretary for Community Planning and
Development, HUD.

ACTION: Notice.

SUMMARY: On June 10, 2005, HUD's Office of Community Planning and Development (CPD) published a notice in the *Federal Register* titled, "Notice of Proposed Outcome Performance Measurement System for Community Planning and Development Formula Grant Programs; Request for Comments." The notice described an outcome performance measurement system that was developed for grantees that receive funding from the Community Development Block Grant program (CDBG), HOME Investment Partnerships program (HOME), Emergency Shelter Grants program (ESG), and the Housing Opportunities for Persons with AIDS program (HOPWA).

The system was developed by a joint working group made up of members of the Council of State Community Development Agencies (COSDA), the National Community Development Association (NCDA), the National Association for County Community Economic Development (NACCED), the National Association of Housing and Redevelopment Officials (NAHRO), the National Council of State Housing Agencies (NCSHA), CPD, HUD's Office of Policy Development and Research (PD&R), and the Office of Management and Budget (OMB). The June 10, 2005, notice described the proposed system and solicited comments from the public, particularly from formula program grantees, on the proposed performance measurement system. This final notice discusses and addresses the comments received and incorporates appropriate changes.

FOR FURTHER INFORMATION CONTACT:
Margy Coccodrilli, CPD Specialist,
Office of Block Grant Assistance, Room
7282, Department of Housing and Urban
Development, 451 Seventh Street, SW.,
Washington, DC 20410-7000, telephone
(202) 708-1577, extension 4507 (this is
not a toll-free number). Hearing- or
speech-impaired individuals may access
this number through TTY by calling the
toll-free Federal Information Relay
Service at (800) 877-8339.

SUPPLEMENTARY INFORMATION:

I. Background

The Government Performance and Results Act of 1993 (GPRA) mandates that federal programs improve their effectiveness and public accountability by focusing on results. The OMB developed the Program Assessment Rating Tool (PART) to monitor compliance with the GPRA and to rate federal programs for their effectiveness and ability to show results.

Many CPD grantees have been frustrated by the inability to "tell their story" to their citizens and other stakeholders about the outcomes of the investments they have made in their communities using federal, state, and local resources. The inability to clearly demonstrate program results at the national level, which is the standard required by OMB's program assessment process, can have serious consequences for program budgets. On June 10, 2005, HUD published (70 FR 34044), a notice describing a proposed outcome performance measurement system and solicited comments. The system would enable HUD to collect information on the outcomes of activities funded with CPD formula grant assistance, and to aggregate that information at the national and local level. Reports would be made available to allow grantees to compare their performance to that of their peers. Based on the proposed system and taking into consideration the comments received, this notice establishes the outcome performance measurement system. This system is not intended to replace existing local performance measurement systems that are used to inform local planning and management decisions and increase public accountability.

This performance measurement system will be incorporated into HUD's Integrated Disbursement and Information System (IDIS), thus allowing for simplified data collection. The objectives and outcomes will appear on IDIS screens and grantees will select the objective and outcome that applies to each activity that the grantee undertakes. The indicators will be generated according to the matrix code, and for CDBG grantees, by the national objective. The possible indicators for each activity will also appear on an IDIS screen and the grantee will indicate which indicator(s) apply to that activity, as carried out by the grantee.

The indicators in this framework represent most of the activities that are undertaken by grantees of the CPD formula grant programs, but HUD acknowledges that there may be some activities that may not fit well into any

of the indicator categories. While such activities may be very important to local interests, their numbers would not make a significant impact on a national level and could create a burden for other grantees. Therefore, the joint working group that developed the system decided to include indicators that can encompass most of the activities undertaken by grantees.

Separate from what the new performance measurement system can provide, the Department would like to be able to demonstrate potential outcomes such as higher homeownership rates and property valuations, lower unemployment rates and improved education levels, increased commercial and private investments, and additional assisted businesses that remain operational for at least three years. HUD will consult with the working group, grantees, and other interested parties to determine whether and how a set of particular community-level outcome measures can be established and uniformly applied. In the future, HUD may use the same or similar universal measures and standards to assess performance in other federal economic and community development programs. For example, HUD intends to obtain information on the development of brownfields and will consult with grantees on how best to collect such information. HUD will also undertake research to address such issues, and determine how frequently to assess progress, evaluate programs, perform analyses, and disseminate results based upon data that is comparable and generally available.

The structure of the new performance measurement system is consistent with the goals and objectives contained in HUD's Strategic Plan for the years 2006 to 2011, including expanding access to affordable housing, fostering a suitable living environment, and expanding economic opportunities.

The objectives, outcomes, and indicators described in this notice will appear this spring in the existing version of IDIS. Grantees will be requested to enter available data at that time. This fall, Phase I of the re-engineered IDIS will be released and grantees will be required to enter the performance data.

When Phase II of the re-engineered IDIS is released, HUD expects the overall administrative burden for grantees to be reduced; HUD's intent is to have the Consolidated Plan, Annual Action Plan, and Consolidated Annual Performance and Evaluation Report (CAPER) integrated into one single performance measurement system. In the interim, elements of the system may

be incorporated into the Consolidated Plan Management Process (CPMP) Tool so that local objectives and outcomes can be entered at the beginning of the Consolidated Plan or Annual Action Plan development process, and accomplishments under those objectives and outcomes can be reported on in the CAPER.

II. Discussion of Public Comments

General Comments

The public comment period closed on September 8, 2005. In addition to the 56 comments submitted in writing to HUD headquarters, additional comments were received during an interactive satellite broadcast from HUD headquarters in Washington, DC, and five regional feedback sessions that were held in San Francisco, Philadelphia, Detroit, Atlanta, and Austin. Each of those events provided opportunities for public comment.

There were multiple requests for HUD to develop a performance measurement Web site that would contain all the information that has been made available. That request has been acknowledged and there is now a CPD Web site that hosts this information. The URL is: <http://www.hud.gov/offices/cpd/about/performance/index.cfm>.

A number of comments praised the outcome measurement system and thanked HUD and the working group for the simplicity of the system; also, many comments posed questions. These questions are addressed in a question and answer format that has been distributed to grantees and is available on the Performance Measurement Web site. Several comments requested clarification of terms and definitions. These have been provided to grantees and are available on CPD's Performance Measurement website.

There were also many comments made about IDIS that were important to that system, but not necessarily relevant to the inclusion of the performance measurement indicators. Those comments have been forwarded to CPD's System Development and Evaluation Division. There were also comments on the Consolidated Plan Management Process and those comments have been forwarded to CPD's Office of Policy Development and Coordination.

Many comments suggested that issues and terminology of local interest be added to the framework. Unfortunately, because the framework was developed to capture national indicators in a standardized format, unique local information cannot be included. However in CPD Notice 03-09, issued in

September 2003, HUD encouraged grantees to develop local performance measurement systems that complement this new national system by capturing the results of activities of local importance.

Specific Comments

Comment—There were several comments indicating that these performance measures should replace Consolidated Plans, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPER), and Performance Evaluation Reports (PER).

Response—HUD anticipates that when Phase II of the IDIS re-engineering is complete in 2007, Consolidated Plans, Annual Action Plans, CAPERs, and PERs will become one continuous document.

Comment—There were several comments indicating the need for training on the performance measurement system and generally on IDIS, and specific training for entitlements, states, and urban counties, sub-recipients; training grantees to train their sub-recipients; and guidance/training on how the indicators apply to each program.

Response—HUD expects to provide training on IDIS in 2006. This training will incorporate the performance measurement framework; also, HUD has prepared guidance, questions and answers, and definitions. This, along with other related information, are available on CPD's Performance Measurement website.

Comment—Several commenters indicated that changes to administrative procedures, and possibly to grantee staffing, would have to be made at the local level and some asked that HUD provide assistance to tell grantees how this should be done.

Response—HUD will provide training on what data will need to be collected, but grantees will determine within their own administrative procedures how to coordinate the front-end planning, implementation, and reporting of activities. Because grantee procedures vary significantly based on agency size and expertise, HUD is not the appropriate entity to develop local administrative procedures for grantees.

Comment—Some comments referred to the difficulty that grantees would have in developing outcome statements.

Response—HUD will use the data that are reported and aggregated in IDIS to develop the outcome statements. If a jurisdiction has an activity that does not fit into the framework, that grantee may create an outcome statement in the narrative of the CAPER or PER to

provide information to their citizens about the results of the activity.

Comment—Comments asked that HUD clarify the timing of when grantees will begin using the performance measurement system.

Response—The elements of the outcome performance measurement system will appear in the existing version of IDIS in Spring 2006. Because of the need for HUD to show results, grantees will be requested to enter data as soon as the system is available. Later in 2006, Phase I of the re-engineered IDIS will be released. At that time, grantees will be required to enter the performance data into the system.

Comment—There were comments suggesting that 40 percent be included in the breakout of numbers for area median income because this number would help show the percentage of "working poor;" that many projects exceed the HOME program minimum levels and assist persons between 30 percent and 50 percent; and that breaking down those income levels would cause additional work for CDBG grantees.

Response—Individual program requirements dictate the income percentages that are to be reported. Therefore, grantees need only provide the information that is currently required for each specific program. The area median income percentages published in this notice reflect the range of information required by all four CPD formula grants. When grantees enter data for activities into IDIS, only the income percentages applicable to those program activities will be populated for selection.

Comment—Several commenters urged HUD to provide sufficient time for grantees to revise forms and other business practices, that data collection should not begin until the re-engineered IDIS is available, and that information pertinent to these changes should be made available to grantees as soon as possible.

Response—On October 28, 2005, CPD issued a memo that provided the basic information needed to revise forms, such as applications from sub-recipients for funding, sub-recipient agreements, and client applications. Grantees could also use that memo to begin to plan for any administrative changes that might be required.

Comment—Some commenters requested that an indicator for section 504 compliance be included for owner-occupied housing units.

Response—HUD agrees. Although section 504 does not apply to homeowners, the accessibility indicator has been added for owner-occupied

units that are made accessible for persons with disabilities.

Comment—One comment received stated that there was no way in the system to report female heads of household.

Response—In IDIS, grantees are currently required to report the number of female heads of household for housing activities that meet the national objective of low-mod housing; therefore, no additional data is required.

Comment—Several comments reflected the need for additional resources to cover the added costs of administrative workload, training, and technology development.

Response—HUD is making every effort to minimize workload burden. HUD expects the increased administrative workload to be reduced as HUD streamlines the planning and reporting requirements. While plans for training are not yet complete, HUD will attempt to reduce grantee costs by conducting training using technology such as the Performance Measurements Web site, broadcasts, and Web casts, and possibly local training provided through field offices. Also, HUD expects to provide training at conferences of the national associations that were involved in the development of the system.

Comment—Several commenters asked HUD to develop sample forms that can be used to collect the additional data.

Response—Since grantees differ greatly in administrative procedures, based on agency size and expertise, HUD is not the appropriate entity to develop specific sample forms. However, HUD will provide guidance on data collection that will assist grantees in adding appropriate language to existing forms.

Comment—There were several comments that suggested changes to the flow chart that was included in the proposed outcome performance measurement system.

Response—The flow chart could not be designed to accommodate the various requests and the full scope of all activities. Because many commenters considered the flow chart to provide little value, it has been removed from the final notice of the outcome performance measurement system.

Comment—Several comments stated that ESG and HOPWA indicators should include case management.

Response—HOPWA case management activities will be reported in the

HOPWA Annual Performance Reports and later in IDIS. ESG does not currently collect information on case management activities in IDIS.

Comment—Several comments indicated that the system should provide the ability to capture more than one objective and more than one outcome for each activity.

Response—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 the outcome that best describes the result of the activity. However, if a grantee feels strongly that an activity is best represented by two outcomes, it would indicate the primary outcome and the additional outcome.

Comment—There were comments suggesting that only indicators required by each specific program should be required for reporting.

Response—Both the proposed and final notices state that grantees will report these data only if the indicator is appropriate to the program.

Comment—One comment stated that Community Housing Development Organization (CHDO) operating costs should not be included in the system.

Response—Up to 5 percent of a participating jurisdiction's HOME allocation may be used to pay 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. Consequently, while CHDO operating support funds are necessary in many instances, HUD agrees with the commenter that it would not be appropriate to include the use of CHDO operating costs as an indicator in a system focused on measuring performance.

Comment—One comment indicated that the list of indicators should not be increased without careful evaluation and input from the working group.

Response—The working group has continued to provide evaluation and input on the development and implementation of the outcome performance measurement system.

Comment—Many comments suggested possible changes to the indicators or additional indicators to be included to the proposed outcome performance measurement system.

Response—HUD carefully considered each suggestion. Some of the suggestions were incorporated into the framework, while others reflected changes that were already planned for inclusion in the re-engineering of IDIS. HUD believes that the indicators included in the outcome performance measurement system published herein reflect most of the activities undertaken by grantees. However, if it becomes apparent that additional data elements are necessary, other indicators can be added to the system at a later date.

Comment—Several comments questioned the difference between International Building Code Energy (IBCE) Standards, and the International Energy Conservation Code (IECC), and the inclusion of Energy Star Standards as a subset of a larger code.

Response—Most states and local governments have adopted one or more International Code Council (ICC) building codes. The ICC codes have replaced other prior model codes, resulting in many different building codes. HUD has determined that identifying only IBCE or IECC and not identifying other possible codes would create incomplete data, as well as confusion over which codes to use. Therefore, the data elements for building energy codes have been deleted. In 2002, HUD entered into a memorandum of understanding with the Environmental Protection Agency (EPA) and the Department of Energy (DOE) to promote the use of Energy Star in HUD's affordable housing programs. Therefore, Energy Star will remain as a data element for energy conservation activities for the housing indicator categories in the performance measurement system.

Comment—There were comments about the use of the NAICS industry classification codes and whether the codes would be available in a drop-down format in IDIS.

Response—HUD has concluded that the large number of NAICS classification codes will create a reporting burden for grantees and businesses and therefore has deleted that data element.

III. Environmental Impact

This notice does not direct, provide for assistance or loan and mortgage insurance for, or otherwise govern or regulate, real property acquisition, disposition, leasing, rehabilitation, alteration, demolition, or new

construction, or establish, revise or provide for standards for construction or construction materials, manufactured housing, or occupancy. Accordingly, under 24 CFR 50.19(c)(1), this notice is categorically excluded from environmental review under the

National Environmental Policy Act of 1969 (42 U.S.C. 4321).

Dated: March 1, 2006.

Pamela H. Patenaude,
Assistant Secretary for Community Planning and Development.

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CPD Outcome Performance Measurement System

BACKGROUND

A working group, established by and composed of representatives from national housing and community development associations as well as HUD and the Office of Management and Budget (OMB), began holding monthly meetings in June 2004 for the purpose of developing an outcome performance measurement system for key HUD housing and community development programs. The working group was made up of grantee representatives from the Council of State Community Development Agencies (COSCEA), the National Community Development Association (NCDA), the National Association for County Community Economic Development (NACCED), the National Association of Housing and Redevelopment Officials (NAHRO), the National Council of State Housing Agencies (NCSHA), HUD's Offices of Community Planning and Development (CPD) and Policy Development and Research (PD&R), and the Office of Management and Budget (OMB).

The members of this working group finalized their work and reached agreement on an outcome performance measurement system to propose for grantees that receive funding from the Community Development Block Grant program (CDBG), the HOME Investment Partnerships Program (HOME), the Emergency Shelter Grant program (ESG), and the Housing Opportunities for Persons with AIDS program (HOPWA) formula grants. The proposed Outcome Performance Measurement System was published in the Federal Register on June 10, 2005 (70 FR 34044). The final outcome performance measurement system includes objectives, outcome measures, and indicators that describe outputs. The objectives are: Creating Suitable Living Environments, Providing Decent Affordable Housing, and Creating Economic Opportunities. The outcome categories are: Accessibility/Availability, Affordability, and Sustainability. There is a standardized list of output indicators that grantees will report on as appropriate for their chosen objectives and outcomes. Although the system is not designed to capture every activity, HUD is confident that the list is broad enough that the results of a significant amount of activities of each of the programs will be reported. Most of the output indicators required by the system do not require additional data collection or reporting.

Grantees shall incorporate performance measurements into consolidated plans or annual action plans prepared for Fiscal Year (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 FY2006 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 FY2006 funds. This will allow grantees to have a better capability to enter the expected data into IDIS, as discussed below. If a grantee has already submitted its FY2006 consolidated plan or action plan to HUD and the plan has been approved, adding new performance measurement features to the plan does not constitute an amendment under §1.505(a); however, the grantee should determine whether this addition is an amendment under its citizen participation plan.

IDIS will begin accepting data in Spring 2006 and HUD is strongly encouraging every grantee to begin to enter data at that time for all completed activities, based on information that is available. The objectives and indicators reported in IDIS will reflect the rationale for funding that activity. The outcome will be based on the result the grantee hoped to achieve by funding the activity. The indicators will describe, in numerical terms, any particular benefit that the activity produced. In Fall 2006, it will become mandatory for all formula grantees to enter the required performance measurement data (objectives, outcomes, and indicators) into IDIS for all existing activities with a status of budgeted or underway as of the beginning of FY2007, as well as for all new activities.

Grantees are only required to report the indicators that appear for each activity; however, if a jurisdiction has activities that are not covered by these indicators, grantees can manually report any objectives, outcomes, and indicators in the narrative section of the Consolidated Annual Performance and Evaluation Report (CAPER) or State Performance Evaluation Report (PER), or HOPWA Annual Performance Report (APR).

The system has been designed to enable grantees and HUD to inform Congress, OMB, and the public of many of the outcomes of the covered programs. The goal is to begin focusing on more outcome-oriented information and be able to aggregate results across the broad spectrum of programs funded by these block grants at the city, county, and state level.

HOW WILL IT WORK?

Based on the intent when funding an activity, grantees will determine which of the three objectives best describes the purpose of the activity. The objectives will appear on an IDIS screen and the grantee will choose from the options presented. The three objectives are:

Suitable Living Environment - In general, this objective relates to activities that are designed to benefit communities, families, or individuals by addressing issues in their living environment.

Decent Housing - The activities that typically would be found under this objective are designed to cover the wide range of housing possible under HOME, CDBG, HOPWA or ESG. This objective focuses on housing programs where the purpose of the program is to meet individual family or community needs and not programs where housing is an element of a larger effort, since such programs would be more appropriately reported under Suitable Living Environment.

Creating Economic Opportunities - This objective applies to the types of activities related to economic development, commercial revitalization, or job creation.

Similarly, once the objective for the activity is selected, the grantee will then choose which of the three outcome categories best reflects what they are seeking to achieve by funding that activity, and then enter the outcome on the appropriate IDIS screen. It is important that the data are not diluted by too much information. Therefore, grantees are encouraged to report which one of the three outcomes is most appropriate for their activity. However, if the grantee believes that two outcomes of equal importance will be realized, then a second outcome may also be selected. The three outcome categories are:

Availability/Accessibility. This outcome category applies to activities that make services, infrastructure, public services, public facilities, housing, or shelter available or accessible to low- and moderate-income people, including persons with disabilities. In this category, accessibility does not refer only to physical barriers, but also to making the affordable basics of daily living available and accessible to low and moderate income people where they live.

Affordability. This outcome category applies to activities that provide affordability in a variety of ways in the lives of low- and moderate-income people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such as transportation or day care.

Sustainability: Promoting Livable or Viable Communities. This outcome applies to projects where the activity or activities are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of low- and moderate-income or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

Each outcome category can be connected to each of the overarching objectives, resulting in a total of nine groups of outcome/objective statements under which grantees would report the activity or project data to document the results of their activities or projects. Each activity will provide one of the following statements, although sometimes an adjective such as new, improved, or corrective may be appropriate to refine the outcome statement.

- Accessibility for the purpose of creating suitable living environments
- Accessibility for the purpose of providing decent affordable housing
- Accessibility for the purpose of creating economic opportunities
- Affordability for purpose of creating suitable living environments
- Affordability for the purpose of providing decent affordable housing
- Affordability for the purpose of creating economic opportunities
- Sustainability for the purpose of creating suitable living environments
- Sustainability for the purpose of providing decent affordable housing
- Sustainability for the purpose of creating economic opportunity

Based on the objectives and outcomes selected, and, in the case of CDBG activities the national objective selected, IDIS will identify the specific indicators for each activity. Only the specific indicators appropriate for that activity will be available for grantees to report. Thus, the process of identifying and selecting indicators will be minimized. The objective and outcomes will combine with the activity indicator data to produce statements of national significance regarding the results of the activity.

The specific indicators are described in this notice. Grantees are reminded that these indicators will be incorporated into IDIS and, therefore, will appear on screens and not in the written format shown here. Grantees will only report this data if the indicator is a requirement of the program from which the activity is funded.

There are certain data elements commonly reported by all programs, although each of the four programs may require different specificity or may not require each element listed below. Grantees will only report the information required for each program, as currently required. No new reporting requirements are being imposed for program activities that do not currently collect these data elements. The elements include:

- Amount of money leveraged (from other federal, state, local, and private sources) per activity;
- Number of persons, households, units, or beds assisted, as appropriate;
- Income levels of persons or households by: 30 percent, 50 percent, 60 percent, or 80 percent of area median income, per applicable program requirements. However, if a CDBG activity benefits a target area, that activity will show the total number of persons served and the percentage of low/mod persons served. Note that this requirement is not applicable for economic development activities awarding funding on a "made available basis;"
- Race, ethnicity, and disability (for activities in programs that currently report these data elements)

HUD will combine the objectives, outcomes, and data reported for the indicators to produce outcome narratives that will be comprehensive and will demonstrate the benefits that result from the expenditure of these federal funds.

This system maintains the flexibility of the block grant programs, as the objectives, outcomes, and indicators will be determined by the grantees, based on the intent of the activities they choose to fund. The standardized format provides that reporting will be uniform, and therefore the achievements of these programs can be aggregated for each grantee locally and for all grantees at the national level.

Specific Outcome Indicators

1) Public facility or infrastructure activities

Number of persons assisted:

- with new access to a facility or infrastructure benefit
- with improved access to a facility or infrastructure benefit
- where activity was used to meet a quality standard or measurably improved quality, report the number that no longer only have access to a substandard facility or infrastructure

2) Public service activities

Number of persons assisted:

- with new access to a service
- with improved access to a service
- where activity was used to meet a quality standard or measurably improved quality, report the number that no longer only have access to substandard service

3) Activities are part of a geographically targeted revitalization effort (Y/N)?

If Yes (check one)

- a) Comprehensive
- b) Commercial
- c) Housing
- d) Other

Choose all the indicators that apply, or at least 3 indicators if the effort is (a) Comprehensive.

- Number of new businesses assisted
- Number of businesses retained
- Number of jobs created or retained in target area
- Amount of money leveraged (from other public or private sources)
- Number of low- or moderate-income (LMI) persons served
- Slum/blight demolition
- Number of LMI households assisted
- Number of acres of remediated brownfields
- Number of households with new or improved access to public facilities/services
- Number of commercial façade treatment/business building rehab
- Optional indicators a grantee may elect to use include crime rates, property value change, housing code violations, business occupancy rates, employment rates, homeownership rates (optional)

4) Number of commercial façade treatment/business building rehab (site, not target area based)**5) Number of acres of brownfields remediated (site, not target area based)****6) New rental units constructed per project or activity**Total number of units:

Of total:

- Number affordable
- Number section 504 accessible
- Number qualified as Energy Star

Of the affordable units:

- Number occupied by elderly
- Number subsidized with project-based rental assistance (federal, state, or local program)
- Number of years of affordability
- Number of housing units designated for persons with HIV/AIDS, including those units receiving assistance for operations
- Of those, number of units for the chronically homeless

Number of units of permanent housing designated for homeless persons and families, including those units receiving assistance for operations
Of those, number of units for the chronically homeless

7) Rental units rehabilitated

Total number of units:

Of total:

Number affordable
Number section 504 accessible
Number of units created through conversion of nonresidential buildings to residential buildings
Number brought from substandard to standard condition (HQS or local code)
Number qualified as Energy Star
Number brought into compliance with lead safe housing rule (24 CFR part 35)

Of those affordable:

Number occupied by elderly
Number subsidized with project-based rental assistance (federal, state or local program)
Number of years of affordability
Number of housing units designated for persons with HIV/AIDS, including those units receiving assistance for operations
Of those, the number of units for the chronically homeless
Number of units of permanent housing for homeless persons and families, including those units receiving assistance for operations
Of those, number of units for the chronically homeless

8) Homeownership Units Constructed, Acquired, and/or Acquired with Rehabilitation (per project or activity)

Total number of units

Of those:

Number of affordable units
Number of years of affordability
Number qualified as Energy Star
Number section 504 accessible
Number of households previously living in subsidized housing

Of those affordable:

Number occupied by elderly
Number specifically designated for persons with HIV/AIDS
Of those, the number specifically for chronically homeless
Number specifically designated for homeless
Of those, number specifically for chronically homeless

9) Owner occupied units rehabilitated or improvedTotal number of units:

- Number occupied by elderly
- Number of units brought from substandard to standard condition (HQS or local code)
- Number qualified as Energy Star
- Number of units brought into compliance with lead safe housing rule (24 CFR part 35)
- Number of units made accessible for persons with disabilities

10) Direct Financial Assistance to homebuyers

- Number of first-time homebuyers
 - Of those, number receiving housing counseling
- Number receiving down-payment assistance/closing costs

11) Tenant-Based Rental AssistanceTotal Number of Households

Of those:

- Number with short-term rental assistance (less than 12 months)
- Number of homeless households
 - Of those, number of chronically homeless households

12) Number of homeless persons given overnight shelter**13) Number of beds created in overnight shelter or other emergency housing****14) Homelessness Prevention**

- Number of households that received emergency financial assistance to prevent homelessness
- Number of households that received emergency legal assistance to prevent homelessness

15) Jobs createdTotal number of jobs

- Employer-sponsored health care (Y/N)
- Type of jobs created (use existing Economic Development Administration (EDA) classification)
- Employment status before taking job created:
 - Number of unemployed _____

16) Jobs retained

Total number of jobs

Employer-sponsored health care benefits

17) Businesses assisted

Total businesses assisted

New businesses assisted

Existing businesses assisted

Of those:

Business expansions

Business relocations

DUNS number(s) of businesses assisted

(HUD will use the DUNS numbers to track number of new businesses that remain operational for 3 years after assistance)

18) Does assisted business provide a good or service to meet needs of service area/neighborhood/community (to be determined by community)?

PRINCIPLES OF PERFORMANCE MEASUREMENT IN GOVERNMENT
INSTRUCTOR, DENNIS PANKRATZ
MAY 18, 2004, 9:00 TO 12 NOON

Description

This is an overview of the principles of performance measurement for government organizations. Participants in this course will acquire a basic understanding performance measurement systems and their relevance to accomplishing the strategic and operational goals of governmental organizations as well as how to write performance measures as required for Community Development Block Grant (CDBG) recipients.

Desired Learning Objectives

Upon completion of this course, participants will be able to:

- Define two basic types of accountability measures
- Describe five specific types of Performance Measures
- Describe at least four purposes for a Performance Measurement System
- List five characteristics of Good Performance Measurement Systems
- Develop performance measures for their CDBG funded program
- Apply mathematical principles commonly used in Performance Measures

Course Outline

Introduction/Course Overview

History and Use of Performance Measurement in Government

Performance Measures-Definitions, Application and Types

Break

Practice Writing Performance Measures

Specific Requirements for CDBG Programs, Questions and Answers

Adjourn

PERFORMANCE MEASURES ACTIVITY

1. What are the percentage equivalents of the following fractions:

- $1/4$
- $2/3$
- $1/10$
- $3/4$
- $1/10$
- $15/10$

2. The Probation Department performance measure for the Investigation Unit was for each investigator to complete 10 reports per day. In five days PO Jones completed 75 reports. Did he exceed the Department's goal? ____ If so by what percentage did he exceed the goal? _____

3. The Road Department's goal for road miles repaved in FY 2000 was 1000 miles. For the year they were 15% below their goal. How many miles of road did they repave? _____

In FY 2001 they repaved 1500 miles. By what percentage did they exceed their goal? _____

4. The Court unit's goal was to complete 100 reports per month with 85% submitted within the legal deadline. In November they completed 200 reports but only 150 of them were within the legal deadline.

- By what percentage did they exceed their goal in terms of number of reports completed? _____
- Did they meet their goal to submit 85% within the legal deadline? _____
- What was their legal submission rate? _____

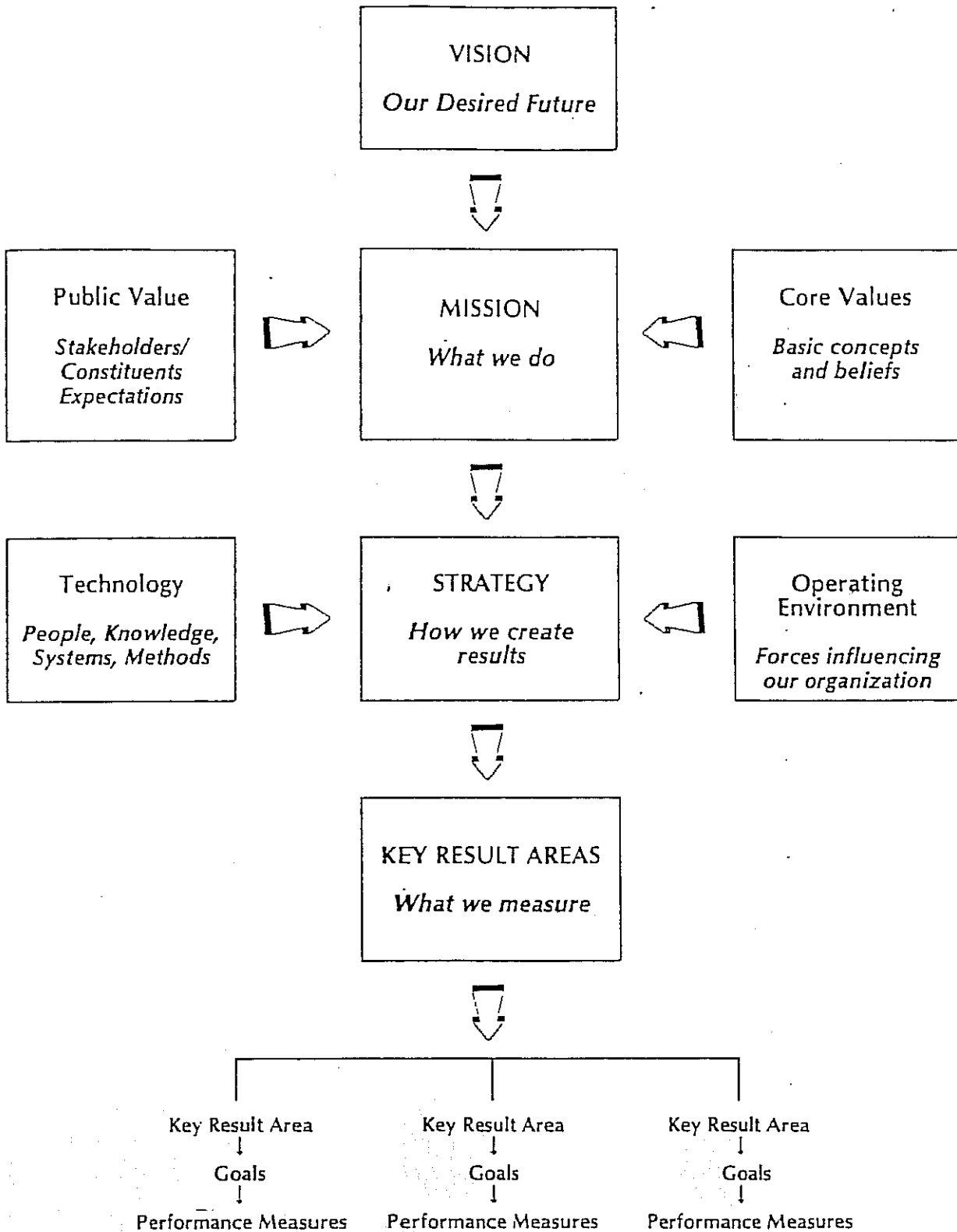
WHY ARE PERFORMANCE MEASURES IMPORTANT?

From

Osborne and Gaebler, Reinventing Government, pages 146-155

- **WHAT GETS MEASURED, GETS DONE!**
- **IF YOU DON'T MEASURE RESULTS, YOU CAN'T TELL SUCCESS FROM FAILURE!**
- **IF YOU CAN'T SEE SUCCESS, YOU CAN'T REWARD IT!**
- **IF YOU ARE NOT REWARDING SUCCESS, YOU ARE PROBABLY REWARDING FAILURE!**
- **IF YOU CAN'T SEE SUCCESS, YOU CAN'T LEARN FROM IT!**
- **IF YOU DON'T RECOGNIZE FAILURE, YOU CAN'T CORRECT IT!**
- **IF YOU CAN DEMONSTRATE RESULTS, YOU CAN WIN PUBLIC SUPPORT!**

STRATEGIC MANAGEMENT MODEL



PERFORMANCE/OUTCOME MEASURES

Performance Measures are mechanisms or tools for assessing what organizations do, and how well they do it. They have to do with establishing **accountability**.

Performance Measurement is the ongoing process or system for measuring the program's progress in meeting its goals or objectives.

PERFORMANCE/RESULTS: How are the conditions improved or changed as a result of your program? What are the **IMPACTS, OUTCOMES?** What are the **INDICATORS** or **MEASUREMENTS** of these impacts or outcomes?

PERFORMANCE/PROCESS: How well did your organization perform in accomplishing the **goals** and **objectives** of the program? What are the **MEASURES** of this performance or processes?

DEFINITIONS/CONVENTIONS

Performance measure: A "performance measure" is a measure of how well public or private agencies and programs are working. Typical performance measures address matters of timeliness, cost-effectiveness, compliance with standards and results. There are a variety of types of measures including input, output, efficiency, effectiveness and outcome measures. Examples of performance measures include: number of staff hours devoted to a program; number of clients served; percentage of child abuse investigations initiated within 24 hours of a report; amount of child support collected for each dollar expended on child support enforcement; police or fire response time; reduction in new law violations by probationers.

Inputs: Input measures identify the amount of resources needed to provide a particular product or service. Inputs include labor, materials, equipment, and supplies. Input measures may be useful in showing the cost of providing services, demand for services, or amount of resources used. *Note:* Generally input measures are discouraged because they are not customer focused and do not measure results of an activity (i.e. number of hours worked is not a reflection of worked accomplished). Input measures, however, can be combined with outcomes to create efficiency or effectiveness measures. **SMVFC received 300 referrals for family counseling services.**

Output: Output measures represent the amount of products or services provided. Outputs focus on the level of activity in providing a particular product or service. Outputs are useful in defining what a program produces. They are limited, however, because they do not indicate whether the unit goals have been accomplished, or do they reveal anything about the quality or effectiveness of the service provided. **SMVFC provided 3000 hours of family counseling services to 250 families.**

Efficiency: Efficiency measures (also known as productivity measures) reflect the **relationship** between work performed (**outputs**) and the resources (**inputs such as dollars, people or time**) required to perform or create the service or product. Typically,

efficiency measures are presented as unit costs, but they can take other forms as well. Other efficiency measures reflect alternative types of resource impacts, such as units produced per labor-hour, which is commonly referred as productivity. Ratios are also used to express relationships between different performance measures to convey more information about the productivity or cost-effectiveness of a unit, product or service. **SMVFC served 20 families per counselor.**

Effectiveness: Effectiveness measures reflect the level and quality of meeting the expectations of customers and stakeholders. These measures include reliability, accuracy, courtesy, competence, responsiveness and completeness associated with the product or service provided. These measures are often expressed as percents or other ratios of performance that reflect customer needs and expectations. They are often expressed as a numerical increase or decrease over some previous performance level (i.e. 10% decrease in the number of customer complaints about a specific service). **SMVFC counselors served 20 families per counselor with 75% of families completing the counseling program.**

Outcome (Result) Measure: A “result” is the **bottom line**. It is why you operate the program. Results are often matters of common sense, above and beyond the jargon of bureaucracy. Results are not always “owned” by any single program, although it is the purpose for providing the service. For instance a primary purpose of Probation programs is to reduce recidivism (to reduce new law violations by probationers). **Sixty-five (65%) of families reported no new family problems six (6) months after completing the SMVFC family counseling program.**

Indicators (or Benchmark): An “indicator” is a measure, for which we have data that helps quantify the achievement of a desired result. Indicators help answer the questions: “How would we know a result if we achieved it?” Indicators identify the **level of performance** of key activities related to the products and services provided by the agency. They indirectly measure performance and often are based on multiple inputs from a variety of sources or programs. Indicators help measure impact of programs on a community, but because they are based on multiple factors, it is difficult to identify the performance of a specific program or service based on indicators. Crime rates, for example, are based on multiple factors ranging from police investigations to economic vitality and unemployment in the community. Other examples of indicators include: rates of preventable disease among children; reading and math achievement scores; high school graduation rates; rates of teen pregnancy and drug use; and crime rates. **Since the implementation of the SMVFC Family Counseling Program in 2001, the divorce rate in the city of Santa Maria decreased 20% during the period 2001-2003 over the period 1999-2001 and is now below the statewide divorce rate.**

GOALS

Proposed solutions to problems or needs identified in the Consolidated Plan.

- ✓ Preserve existing housing stock
- ✓ Increase property values/tax base
- ✓ Improve neighborhood stability



INPUTS

Resources dedicated to or consumed by the program.

- ✓ Money
- ✓ Staff/Staff time
- ✓ Contractors
- ✓ Facilities
- ✓ Equipment



ACTIVITIES

What the program does with the inputs to fulfill its mission.

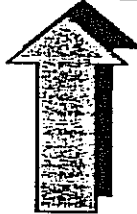
- ✓ Intake/loan screening
- ✓ Initial inspection
- ✓ Verify contractor eligibility and cost reasonableness
- ✓ Prepare construction specifications
- ✓ Underwrite loans
- ✓ Loan approval
- ✓ Progress inspections



OUTPUTS

The direct products of program activities.

- ✓ Number of customers served
- ✓ Number of loans processed
- ✓ Number of homes rehabilitated



OUTCOMES

Benefits that result from the program.

- ✓ Increased percentage of housing units that are standard
- ✓ Improved quality of life for program participants
- ✓ Revitalization of the neighborhood

CRITERIA FOR SMART PERFORMANCE MEASURES

SPECIFIC

MEASUREABLE

AGREED UPON

REALISTIC

TIME-FRAMED

LITMUS TEST FOR EFFECTIVE PERFORMANCE MEASURES

Is it aligned with organizational mission and goals?

Was it developed with a purpose in mind (how will you use it)?

Does it measure or reflect something of value?

Does it measure results, rather than activities, whenever possible?

Is it easily understood by staff and funding agencies?

Does it measure something within your organization's ability to influence?

Was it developed with the involvement of staff that is responsible for achieving the measure?

Does it demonstrate measurable improvement over a previous performance level?

CHARACTERISTICS OF GOOD PERFORMANCE MEASUREMENT SYSTEMS

- **CREDIBLE-** accurate, relevant
- **FAIR-** within control of organization
- **CLEAR-** understandable
- **PRACTICAL-** can be easily implemented
- **ADAPTABLE-** can change overtime
- **CONNECTED-** related and integrated with the organization

OUTPUT MEASURES

1. **Provide immediate crisis counseling/temporary shelter response services to 60 youth**
2. **Provide emergency Shelter care placements for 40 youth in need of shelter**
3. **Provide approximately 400 Shelter Bed Days to youth in need of shelter**
4. **Provide approximately 120 Counseling sessions to youth and their families**

OUTCOME MEASURES

1. **The diversion rate from shelter placement of NCYS referrals will meet or exceed 40%.** This will be measured by dividing the number of diversions by the total number of referrals. For the first six months of this fiscal year, the diversion rate is 44%.
2. **The days per shelter placement will be at or below 10 days per placement.** This will be measured by dividing the number of placements by the total number of bed days billed. For the first six months of this fiscal year, the average days per placement is 5.3 days per placement.
3. **The successful return to home rate for youth placed in shelter will meet or exceed 50%.** Last year this rate was 76%. This rate will be measured by dividing the number of successful return to home by youth by the total number of youth placed into shelter. For the first six months of this fiscal year, the successful return to home rate is 67%.

