



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

SCOTT WALKER
GOVERNOR
MIKE HUEBSCH
SECRETARY

Division of Housing
101 E. Wilson Street, Floor 5
P.O. Box 7970
Madison, WI 53707-7970

POLICY: ADM 05-2014

TITLE: Section 3 Reporting

EFFECTIVE DATE: Update September 15, 2017
February 15, 2015
July 1, 2014

OVERVIEW:

Description:

Process for complying with Section 3 reporting for Division of Energy, Housing and Community Resources (DEHCR) – Bureau of Housing (BOH) and Bureau of Community Development (BCD) grants containing U.S. Department of Housing and Urban Development (HUD) funds. **24 CFR 135**

Purpose:

Establish a consistent process across applicable Division programs to ensure that Section 3 Reporting is received from all appropriate sub-recipients in a timely manner, uniformly reported in compliance with HUD requirements, and documented in the grantee file.

Policy:

Programs Required to File Section 3 Reports:

- HUD Funded Annual Formula Programs: CDBG, HOME, ESG, and HOPWA; and
- HUD Funded Supplemental Allocations or Competitive Awards: CDBG-DR TKE, NSP 1, and NSP 3.

Accomplishment Reporting Period:

- The Section 3 reporting period for all DEHCR (BOH/BCD) HUD-funded programs coincides with the federal fiscal year of October 1 through September 30.

Section 3 Report Submission Dates to HUD:

- For HUD Funded Annual Formula Programs (CDBG, HOME, ESG, and HOPWA), Section 3 reports will be submitted online to the HUD Office of Fair Housing and Economic Opportunity (FHEO) (reported in the SPEARS system) by June 15. Annually submitted Section 3 reports cover accomplishments for the previous federal fiscal year (October 1 – September 30).
- For HUD Funded Supplemental Allocations or Competitive Awards (CDBG-DR TKE, NSP 1, and NSP 3), Section 3 reports will be submitted online to the HUD Office of Fair Housing and Economic Opportunity (FHEO) (reported in the SPEARS system) by June 15. Annually submitted Section 3 reports cover accomplishments for the previous federal fiscal year (October 1 – September 30).
- **Note the submission of a Section 3 Report is required even when activities funded under a HUD program (ESG and HOPWA) do not trigger Section 3 requirements.**

DEHCR (BOH/BCD) Sub-recipient Reporting:

- A sub-recipient's grant agreement will specify a reporting timeframe, usually either annually, semi-annually or quarterly for the duration of the agreement.
- The DEHCR (BOH/BCD) will provide the sub-recipient with a Section 3 Report form to ensure all necessary information is compiled by DEHCR (BOH/BCD) for the annual report to HUD.
- Regardless of activities or expenditure levels during the reporting period, sub-recipient's will report all Section 3 activities per the executed Grant Agreement.
- Sub-recipients/grantees failing to submit may cause delay in payment requests.

DEHCR (BOH/BCD) Project Representative Responsibilities.

- Provide DEHCR (BOH/BCD) Section 3 report form and training on Section 3 requirements to sub-recipient;
- Provide a list of all open grantees to the Division Section 3 Lead individual.
- A copy of the list is provided to the BOH/BCD Bureau Directors.
- Obtain DEHCR (BOH/BCD) Section 3 forms from all sub-recipients in accordance with their grant agreement; review reports for completeness, and follow-up on missing, incomplete, or erroneous Reports.
- Once a fully completed Section 3 form is received, reviewed and accepted, the Project Representative will make a copy of the Section 3 report. File the original report in the grantee's file and the copy in the Section 3 report file.
- All correspondence related to the submission to the Section 3 reports shall be placed in the sub-recipients/grantees program file.
- Annually, the grant representative will compile program level reporting data for his/her projects for the previous federal fiscal year (October 1 – September 30). At least 30 days before Section 3 reporting is due to HUD, the grant representative will provide the compiled data along with the copies of the sub-recipients Section 3 reports to the DEHCR (BOH/BCD) Section 3 Lead.
- The DEHCR (BOH/BCD) Section 3 lead will check the totals of the respective reports and request a review and sign-off by either the BOH or BCD Bureau Director as to the totals.

DEHCR (BOH/BCD) Section 3 Report Lead/Submitter Responsibilities:

- Obtain compiled Section 3 data and copies of sub-recipient reports from Project Representatives.
 - Compile overall program Section 3 data and review with BOH/BCD Bureau Directors.
 - Enter Section 3 data for each HUD program using the HUD's online SPEARS system (Form 60002) before the HUD deadline. The HUD-FHEO Section 3 reporting tool should be available at:
http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/section3/section3.
 - A copy of the Section 3 report will be retained for future reference.
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