



Chapter 10: Reporting and Recordkeeping Requirements

Overview

The U.S. Department of Housing and Urban Development's (HUD) recordkeeping requirements for CDBG grant awards for funds administered by the Department are contained in 24 CFR Part 570. Specifically, 24 CFR 570.490 (a) (1) states that "The State shall establish and maintain such records as may be necessary to facilitate review and audit by HUD of the state's administration of CDBG funds under Section 570.493."

[24 CFR 570.490\(a\)\(1\)](#)

[24 CFR 570.493](#)

The state is required to have fiscal controls such that it can ensure the funds are used in "compliance with all applicable statutory and regulatory provisions," "only spent for reasonable and necessary costs," and "not used for general expenses required to carry out other responsibilities of state and local governments" as described in Section 570.489 (d).

[24 CFR 570.489\(d\)](#)

It is important that the Grantee fully document compliance with all applicable regulations. This is accomplished through maintaining comprehensive records and submitting all necessary reports.

A sound recordkeeping system should be easy to use and provide a historic account of activities for examination and review by the State, auditors and local staff. All records must be available to the following entities upon request:

- U.S. Department of Housing and Urban Development,
- The Inspector General,
- The General Accounting Office,
- The Comptroller General of the United States, and
- California Department of Housing and Community Development (HCD) .

These entities must have access to any pertinent books, records, accounts, documents, papers, and other property that is relevant to the grant. Certain records must be available to the public as well. However, Grantees must keep files that contain personal information, such as social security numbers, in a secure place.



The Department of Housing and Urban Development (HUD) is committed to protecting the privacy of individuals' information stored electronically or in paper form, in accordance with the Privacy Act of 1974, as amended, and other federal privacy-related laws, guidance, and best practices. HUD expects its Grantees, Sub-Grantees, and Contractors who collect, use, or maintain personal information to protect the privacy of that information. See Section 10.5.2 below for more detail on protecting confidential records.

Grantees must keep their own records separate from HCD's Grants Network (eCivis) in compliance with Section 10.3 below.

In addition, the submission of timely reports as outlined below is essential for compliance with federal regulations and the Grantee's Standard Agreement.

In order to provide HCD with the data required by HUD to document meeting an eligible activity and a national objective, it is imperative to know the reporting requirements by program type to assist in the development of program design and intake documents. HCD has developed a Data Requirements Reporting Guide (Tool 10-1) and a Required Documentation Checklist (Appendix 10-1) to assist grantees in collecting the program specific information from program participants/beneficiaries.

Tool 10-1: Data
Requirements
Reporting Guide

Appendix 10-1:
Required
Documentation
Checklist

NOTE: All CDBG documents are considered governmental records. All Grantees should bear this in mind and consult with their legal counsel to ensure appropriate levels of documentation and retention. See the Public Information Act section in this chapter.

10.1 Activity Reporting

Quarterly Activity Reports , submitted via the eCivis Grants Network, will be used to assess program progress, timeliness and to justify needs. Activity Reports are important because it provides HCD with information that is required to be provided to the U.S. Department of Housing and Urban Development (HUD). Therefore, reports must be submitted on time and accurately.

These Activity Reports gather important information that is not automatically extracted from the eCivis Grants Network system in any other way. Some of this information includes Section 3 data, MBE/WBE contracting, and lead based paint activities. Providing timely and accurate information helps HCD produce better reporting to HUD that justifies the effectiveness of the CDBG Program.



Frequency

Quarterly due dates are as follows once an award is received:

Quarter	Due Date
Quarter 1	October 15
Quarter 2	January 15
Quarter 3	April 15
Quarter 4	July 15

NOTE: An Activity Report must be submitted ANY TIME a Financial Report is submitted.

HCD Representatives can grant an extension of up to 30 days from the end of the reporting period, when requested. Grantees should contact their HCD Representative if they know they will not make the reporting deadline.

Process

The CDBG activity reporting process consists of generating quarterly entries in the eCivis Grants Network Portal, documenting project progress and accomplishments during the reporting period. Steps the Grantee must take to complete reporting in the eCivis Grants Network Portal are detailed in Appendix 10-2: eCivis Activity Reporting Process. HCD has also provided a set of activity specific guidelines for the data fields that are commonly required for CDBG projects in Tool 10-1.

Appendix 10-2: eCivis
Activity Reporting
Process

Tool 10-1 Data
Requirements
Reporting Guide

Activity Report Contents

A typical report is direct and to the point and consists of one to two paragraphs. Lengthy reports are generally NOT warranted and are NOT desired unless required to explain atypical project circumstances or activities during the reporting period.

Complete, narrative reports will include:

- Project status
- Updates about project activity that has taken place during the reporting period
- Details about participants
- Timeline for continued activity
- Goals or next steps for the following reporting period

If the project has not yet started, the Grantee should provide details on the preliminary activities, planning the rollout, and the expected implementation process.



Common Reporting Deficiencies

Occasionally, Grantees will not provide sufficient details in the quarterly Activity Report. HCD Representatives may approve the Activity Report but will provide additional guidance to Grantees as comments in the eCivis Grants Management Network.

Grantees should take any comments received into consideration when drafting future Activity Report narratives.

Some common issues include:

- Insufficient details regarding the timeline of completion
- Insufficient details regarding goals or next steps for the next reporting period
- Insufficient documentation to support the narrative
- Statements to the effect of “no activity to report”

10.2 Financial Reporting

HCD is required to have fiscal controls such that it can ensure all CDBG funds are used in “compliance with all applicable statutory and regulatory provisions,” and “only spent for reasonable and necessary costs.” Grantees will utilize Financial Reporting form to submit financial reports, at least quarterly. This form includes certification that the Authorized Representative of the Grantee has approved the draw.

[24 CFR 570.489\(d\)](#)

Required Documentation

Grantees are required to submit documentation for **all** expenditures claimed in the Financial Report. Timely review of supporting documentation allows the Department to determine that the Grantee is meeting all program requirements and will prevent situations in which a Grantee may be required to re-pay the Department for funds spent on ineligible costs. Some examples of acceptable documentation types are shown below.

- **Economic Development Programs** – Project Completion form, Loan or grant agreement that is executed between beneficiary and jurisdiction.
- **Housing Programs** – jurisdictions may submit Loan Agreements, Settlement Statements, or other related documentation to support the Funds Request.
- **Public Services** –invoicing as applicable to the agreement entered into with provider.
- **Projects involving construction** – copy of the Bid Schedule along with contractor’s invoice.



- **Consulting Services** – Invoices for services performed.
- **General Administration** – Description of each personnel expenditure, including name, title, time period, activities performed and total amount.
- **Subsistence Payments** – copy of check to the utility and/or mortgage company, including the following information on each check:
 - Utility or Mortgage Company Name
 - Applicant Name
 - Amount Provided
 - Check Number
 - Check Date
 - Issuer of the Check
- **Force Account Labor** – copy of all timesheets including breakdown of CDBG and other hours, documentation on salary and fringe for each employee.

Completing the Financial Reporting Form

The form is an Excel template (Appendix 6-4) composed of two worksheets: a Coversheet and an Expenditures worksheet. The Financial Reporting form should be completed for all open grants and Program Income *at least quarterly*. Instructions for completing the Financial Reporting form are included as Appendix 6-5: Financial Reporting Form Instructions.

Appendix 6-4: Financial Reporting Form

Appendix 6-5: Financial Reporting Form Instructions

Steps the Grantee must take to complete reporting in the eCivis Grants Network Portal are detailed in Appendix 6-6: Financial Reporting in eCivis.

Appendix 6-6: Financial Reporting in eCivis

Frequency

Funds requests must be submitted at least quarterly. Grantees are encouraged to submit requests more frequently. More frequent submissions allow for more timely reimbursement and give HCD an opportunity to check in with each Grantee about their expenditure plans and provide technical assistance if necessary.

If a Grantee with an open grant or a PI funded activity does not have eligible costs during the quarter, the Grantee **must still submit a Financial Report. In this instance, Grantees would enter zero in the Financial Report Details section and** provide detailed information about the status of the grant or activity, why no eligible costs have been incurred, and when they will be making their next draw in the Financial Report Narrative section.



The quarterly Financial Reports will be due on the 15th of the month following the close of the quarter.

Due dates are as follows once an award is received:

Quarter	Due Date
Quarter 1	October 15
Quarter 2	January 15
Quarter 3	April 15
Quarter 4	July 15

HCD Representatives can grant an extension of up to 30 days from the end of the reporting period, when requested. Grantees should contact their HCD Representative if they know they will not make the reporting deadline.

NOTE: Grantees who are considered “high-risk” may be required to submit financial and/or activity reports on a more frequent basis, at the discretion of HCD staff.

10.2.1 Program Income Reporting

HCD is in the process of developing a new Program Income Policy for HUD approval. At such time that HCD finalizes guidelines regarding the use and reporting of program income, Section 10.2.1 and Section 6.6: Program Income of this manual will be updated to reflect the new policy. In the meantime, Grantees must document all revenue generated from the expenditure of CDBG funds and provide it to HCD as requested by program representatives.

10.3 Labor Standards Reporting

The grantee is responsible for submitting two regularly scheduled Labor Standards reports as described in *Chapter 7: Labor Standards*.

- Semi-Annual Labor Standards Enforcement Report – HUD Form 4710

[HUD 4710 Form](#)



These reports must be submitted to HCD as follows:

Form 4710 Reporting Period	Due Date
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Oct 1 – Mar 31	Apr 1
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April 1 – Sept 30	Oct 1
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- Additionally, if enforcement actions involving in excess of \$1,000 or willful violations occur, Grantees must complete a Section 5.7 Enforcement Report.

[Section 5.7
Enforcement Report](#)

NOTE: These enforcement actions appear in two reports. A separate Section 5.7 Enforcement Report is to be submitted to HCD and those incidents are reported again in a summarized fashion in the Form 4710. The Section 5.7 Enforcement Report does not replace the need to include that same incident in the Form 4710 report.

10.4 Maintaining Records and File Organization

Grantees must establish a system for record keeping that assists HCD with the review of files for compliance. In other words, records should be kept in a manner that clearly tells the whole story of a Community Development Block Grant (CDBG) project from beginning to end.

[HUD Model Recordkeeping
Requirements](#)

[Tool 10-2 Recordkeeping
Requirements](#)

The grantee is responsible for maintaining all records pertinent to a grant, including supporting documentation, for three years after the date HCD closes out all applicable program year with HUD.

Because this required record retention period could exceed ten years, HCD will notify Grantees when a program year has been closed with HUD and include the end date of the record retention period.

The following suggestions are provided as procedural guidelines to be considered when designing a grantee's filing system:

- Separate files should be maintained for each Standard Agreement
- Files should be coded for each area of compliance to allow for easier access
- Responsibility for recordkeeping should be delegated to a specific individual to provide consistency



- Files should be secured at all times. For hard copy files, this means they should be in a locked cabinet or room. For digital files, this means that files should only be accessed by individuals with valid credentials.

Grantees are required to have an umbrella file for each CDBG and/or CDBG-CV Standard Agreement. This chapter identifies the major file categories that must be included within the umbrella file and the records that should be maintained within. The order of the documentation can be at the Grantee's discretion, as long as it is arranged in a manner where the records can be efficiently monitored. To facilitate efficient monitorings, it is highly recommended that Grantees include a Table of Contents for each of their umbrella files that identifies where documents can be found (e.g., "Box 1", "Filing Cabinet A, Drawer 2") and/or a clear explanation of the electronic filing system and how to access that data.

Grantees should refer to 10.4.1 through 10.4.13 below for detailed information regarding the records that should be maintained within each major file categories. A sample Table of Contents is shown below.

2022 CDBG Infrastructure Program	
(Standard Agreement #22-CDBG-NH-00015)	
I.	Application and Grant Contract FileBox 1
II.	National Objective FileBox 1
III.	Activity Specific FilesBox 1
IV.	Public Participation FileBox 1
V.	Environmental Review RecordBox 1
VI.	Fair Housing & Civil RightsBox 2
VII.	FinancialBox 2
VIII.	ProcurementBox 2
IX.	Contract FileBox 2
X.	Acquisition and Relocation FilesBox 3
a.	AcquisitionBox 3
b.	RelocationBox 3
c.	Replacement UnitsBox 3
XI.	Labor StandardsBox 4
XII.	Reporting FileBox 5
XIII.	Monitoring File and CloseoutBox 5

Due to the wide-range of allowable activities, this list should not be considered all-inclusive.



Grantees should refer to applicable laws and regulations as well as the other chapters for more detailed information.

10.4.1 Application and Grant Contract File

- Copy of original application
- Grant Agreement
- All correspondence/info prior to the signing of the grant agreement, including comments from other state agencies application/project revisions (if applicable)
- Approved Implementation Plan and Budget (and revisions)

10.4.2 National Objective File

Grantees must maintain records documenting that funded activities meet one of the national objectives. Depending on the objective, the files must contain the specific documentation outlined below. This documentation can also be used in reporting performance measures information. More information on what is considered adequate documentation can also be found in *Chapter 2: National Objectives and Eligible Activities*.

- Low/Mod Area Benefit
 - Boundaries of service area
 - Census data including total persons and percentage low/mod
 - Evidence area is primarily residential
 - Survey documentation (if applicable)
- Low/Mod Limited Clientele
 - Documentation that the beneficiaries are low/mod or presumed to be low/mod (by category)
 - Documentation of beneficiaries' demographic information
- Low/Mod Housing
 - Income verification of households (using the Section 8 definition) including source documentation
- Low/Mod Job Creation and Retention
 - Number of jobs created or retained



- Type and title of jobs created or retained
- Income of persons benefiting from the jobs created or retained
- Blight Elimination
 - Area designation (e.g., boundaries, evidence area meets State definition of blight)
 - Documentation and description of blighted conditions (e.g., photographs, structural surveys, or development plans)
 - If applicable, evidence that the property meets spot designation requirements (e.g., inspections)
- Urgent Need
 - Documentation of threat to health and safety
 - Documentation of recent origin
 - Certification that other financing resources were unavailable and CDBG had to be used (including ability to borrow, etc.)

10.4.3 Activity Specific Files

Grantees must maintain records documenting compliance and accomplishments for each specific activity type undertaken. HCD has provided file checklists for specific activity types on the *Grants Management Manual, Tools* webpage. Using the activity specific checklists is best practice for Grantees to ensure compliance with all CDBG requirements. Additional information can also be found in *Chapter 2: National Objectives and Eligible Activities*.

10.4.4 Public Participation File

Grantees must maintain records documenting compliance with all Public Participation requirements. For more information on public participation, see *Chapter 4: Additional Grantee Requirements*.

- Citizen Participation Plan (and Housing and Community Development Plan)
- Evidence that the public was furnished appropriate information (as required in application process)
- Publishers Affidavit or tear sheet of the notices of public hearings
- Minutes from both public hearings



- Public outreach techniques, including evidence of marketing effort for direct benefit activities such as housing rehabilitation
- Complaints and relevant correspondence (if applicable)

10.4.5 Environmental Review Record (ERR)

Grantees must retain the following documents for the duration of the recordkeeping period. For more information on environmental reviews, see *Chapter 3: Environmental Reviews*.

For all projects:

- Scope of Work for Project/Activity
- Copy of any environmental studies (e. g. archaeological surveys, etc.)
- Copy of all maps and drawings, if any
- Copy of signed Request for Release of Funds (RROF), if any
- Copy of Authority to Use Grant Funds - release of funds from HCD, if any

Exempt and Categorically Excluded Not Subject To (CENST) Activity Projects

- Copy of the signed Environmental Review for Exempt or CENST Activity

Categorically Excluded Subject To (CEST) Projects

- Copy of signed Environmental Review for CEST Activity and supporting documentation (including written determinations from relevant agencies such as SHPO and NH Department of Environmental Services)
- Copy of all consultation letters and responses
- Copy of Floodplain Process documentation (if applicable)
 - If CEST activity converts to Exempt (skip all below)
- Copy of the Notice of Intent to Request Release of Funds (NOI/RROF) advertisement (and Floodplain if applicable)
- Copy of Publishers Affidavit for Floodplain NOI/RROF
- Copies of any letters received and responses following the NOI/RROF



Environmental Assessment Projects

- Copy of Determination of Environmental Assessment Form and supporting documentation (including written determinations from relevant agencies such as SHPO and NH Department of Environmental Services)
- Copy of all consultation letters and responses
- Copy of Floodplain Process documentation (if applicable)
- Copy of the Combined Notice of Intent with “Finding of No Significant Impact” (FONSI) advertisement (and Floodplain if applicable)
- Copy of Publishers Affidavit for Floodplain / NOI/ROFF / FONSI
- Copies of any letters received and responses following the NOI/RROF/FONSI

10.4.6 Fair Housing & Equal Opportunity

Grantees must retain the following documents for the duration of the recordkeeping period. For more information on fair housing and civil rights, see *Chapter 4: Grantee Requirements*.

- Documentation of completion of the required Fair Housing Activity
- A copy of the provisions for nondiscrimination given to developers, contractors, etc.
- Demographic statistics on all beneficiaries and denied applicants of site-specific activities (i.e., housing rehab)
- Documentation that contractors complied with the Civil Rights/Equal Employment requirements as explained at the Pre-Construction Conference
- Documentation of all other efforts to further local fair housing and equal opportunity

10.4.7 Financial

Grantees must retain the following financial documents for the duration of the recordkeeping period. For more information on financial management, see *Chapter 6: Financial Management*.

- Cash Receipts Journal
- Cash Disbursement Journal
- General Ledger
- Property Management Register
- Subsidiary Ledger on Rehabilitation Loans



- Journal Entry Voucher (optional)
- Federal Cash Control Register (optional)
- Expenditure Summary Report (optional)

Payment File

- Copies of all Contractor/Consultant/Vendor Invoices
- Copies of all force account labor documentation
- Copies of Payment Requests in Chronological order
- Approved Cost Summary (and revisions)
- Authorized Signature for Request for Payment form
- Original Project Expenditure Account Agreement

Audit File

- Copy of Audit Reports (if applicable)
- Responses to Audit Findings (if applicable)

10.4.8 Procurement

Grantees must retain the following procurement documents for the duration of the recordkeeping period. For more information on procurement, see *Chapter 5: Procurement*.

All Procurements utilizing CDBG funds

- Documentation of Cost Reasonableness Estimate for all procurements
- Copy of the Contractor/Subcontractor Verification form (not debarred)

Supplies/Materials

- Copy of Request for Quotation (RFQ) (email, telephone notes, etc.)
- Documentation of Notice/Solicitation for M/WBE participation and amounts procured
- Documentation of all quotes received
- Justification of selection



Professional Services

- Copy of the Request for Proposal (RFP) or Request for Qualifications (RFQ)
- Copy of the RFP/RFQ newspaper advertisement
- Documentation of notification/solicitation for M/WBE participation
- M/WBE contracts and amounts procured
- List of companies who submitted Statements of Qualifications or Proposals
- RFP/RFQ evaluation and scoring documents
- List of short-listed firms and documentation of interview process
- Short-listed firms evaluation and scoring documents
- Justification for selection of contractor

Construction and Related Services

- Copy of Invitation for Bid (IFB)
- Copy of IFB newspaper advertisement
- Section 3 Plan
- Certified mail receipts from M/WBE and Section 3 firms
- M/WBE and Section 3 contracts and amounts procured
- Minutes from public meeting where IFB's were opened
- Copy of the bid tabulation sheet, certified by the project architect/engineer
- Justification of selection

10.4.9 Contract File

Professional Services

- Notice of Contract Award
- Copy of Contract with the required federal contract provisions (outlined in the HCD Grant Agreement)
- Disclosure Report for each contract



Construction – Related Services

- Notice of Contract Award
- Copy of Contract with the required federal contract provisions (outlined in the HCD Grant Agreement)
- Copy of the Pre-construction Meeting Checklist – signed by all attendees
- Copy of the Bid Guarantee
- Copy of the Performance Bond
- Copy of the Payment Bond
- Copy of contractor(s) insurance policy
- Disclosure Report for each contract
- Proof of the established Retainage Account (if applicable)
- Documentation on all Change Orders

10.4.10 Acquisition and Relocation Files

Grantees must retain the following documents for the duration of the recordkeeping period. For more information on acquisition and relocation, see *Chapter 8: Acquisition* and *Chapter 9: Relocation*.

Acquisition

A separate file must be maintained for each property acquired and must include:

- Property owner name and address
- Address of property to be acquired
- For property valued under \$10,000, a copy of market estimate and document real estate broker's license
- Document Appraiser's license and certification (when applicable)
- Preliminary Acquisition Notice to Owner Invitation to accompany appraiser Appraisal Reports
- Review of Appraisal
- Copy of written purchase offer
- Purchase agreement



- Copy of donation/waiver forms (if applicable)
- The deed to the property to be acquired
- All notices sent to property owner, business owner(s), and tenant(s), if any

Replacement Units

- Copy of Notice to HUD and public that documents the number and nature of replacement housing units required by Section 104(d) due to demolition or conversion of low-income housing units
- One Replacement Summary Grantee Performance Reports
- Documentation of local housing needs if replacement includes smaller units than those demolished or converted

Relocation

A separate file must be maintained for each household relocated and must include:

- A household survey, which should include the names, ages and demographic information (including income verification) of the household to be relocated
- A description of the nature of the advisory services offered, including the dates they were offered and any brochures or pamphlets explaining their rights
- Evidence of correspondence concerning the rights and payments available to displaced persons
- 90 day advance Relocation Notice (and evidence of delivery)
- 30 day Displacement Notice (and evidence of delivery)
- Evidence of at least three referrals to comparable units and Comparable Replacement Dwelling (HUD Form 40061)
- Inspection report on referral units
- Documentation on the types and amounts of benefit payments made, including:
 - Claim for Rental Assistance or Down Payment Assistance (HUD Form 40058)
 - Residential Claim for Moving and Related Expenses (HUD Form 40054)
 - Claim for Temporary Relocation Expenses-Residential Moves (HUD Form 40030)



- Claim for Replacement Housing Payment for 90-Day Homeowner-Occupant (HUD Form 40057)
- Claim for Actual Reasonable Moving and Related Expenses –Nonresidential (HUD Form 40055)
- Claim for Fixed Payment in Lieu of Payment for Actual Nonresidential Moving and Related Expenses (HUD Form 40056)
- Evidence that payment was made (canceled check or the like) and payment schedule
- All notices sent to property owner, business owner(s), and tenant(s) if any.

10.4.11 Labor Standards

Grantees must retain the following documents for the duration of the recordkeeping period. For more information on labor standards, see *Chapter 7: Labor Standards*.

- Copy of Wage Determination Notice
- Copy of Wage Determination Lock-in Notice
- Justification of Wage Determination effective other than at bid opening (if applicable)
- Copy of Pre-Bid Conference Sign-in sheet (if applicable)
- Copy of the construction-related contract(s) with the HUD 4010 form and Federal Construction Contract Provisions referenced or attached
- Copy of the Pre-Construction Conference Checklist – signed by all attendees
- Copy of contractor(s) fringe benefit programs
- Copy of any apprenticeship certification programs, if applicable
- Copy of Contractor(s) Certification forms, if applicable
- Copy of Subcontractor(s) Certification forms, if applicable
- Copy of all weekly Certified Payroll Reports for contractor(s)/subcontractor(s) and any Correction Certified Payroll Reports
- Copy of all employee interviews
- Documentation of any wage deficiencies and copies of restitution payments, if any, including employee-signed affidavits acknowledging receipt of restitution.
- Copy of any Section 5.7 Enforcement Reports (if applicable)



- Copy of all Semi-Annual Labor Standards Enforcement Report – HUD Form 4710
- Section 3 Resident employment records

10.4.12 Reporting File

- Copies of all Financial Reporting Forms
- Copies of HCD Annual Performance Report (APR)
- Copy of HUD Disclosure Form 2880 Updates (if applicable)

10.4.13 Monitoring File and Closeout

Grantees must retain the following documents for the duration of the recordkeeping period. For more information on monitoring and closeout, see *Chapter 11: Monitoring* and *Chapter 12: Closeout*.

- Closeout Certification and Documentation Form
- Closeout Agreement
- HCD monitoring letter
- Evidence of corrective actions in relation to HCD findings (if applicable)

10.5 Access to Records and Maintaining Confidentiality

Except for confidential records, all documents required to be maintained by, or reasonably considered as pertinent to, the grant agreement must be available for viewing and/or examination by any resident, pursuant to the requirements of the California *Public Records Act*. Additionally, the grantee must provide access to records by the federal and state agencies identified at the beginning of this chapter. This section also addresses requirements that confidential records be maintained securely.

10.5.1 California Public Records Act

The California Public Records Act establishes requirements for governmental or public records. These requirements are applicable to all “Local agencies” including counties; cities, whether general law or chartered; municipal corporations; districts; political subdivisions; or any board, commission or agency thereof; other local public agencies; or entities that are legislative bodies of a local agency.

[California Code
Title 1, Division 7,
Chapter 3.5](#)



Any information created, accepted, or obtained by, or on behalf of any public agency in furtherance of its official function is considered a governmental or public record. Those governmental records must be made available for public inspection and copying upon reasonable request. Public entities must respond to requests within ten business days. Certain records are exempt from disclosure, but California courts generally assume everything is available to the public unless the governmental agency proves otherwise. A list of exempted records can be found in [Section 6254 of the Act](#).

10.5.2 Confidential Records

Grantees must recognize that they may be collecting personal information that, when lost, compromised, or disclosed, can substantially harm an individual.

In order to protect the beneficiaries of CDBG projects and programs, Grantees are responsible for maintaining confidential records, which includes but is not limited to:

- staff personnel files
- labor and civil rights complaints
- Personally Identifiable Information (PII)
- Sensitive Personally Identifiable Information (SPII)

The grantee must undertake appropriate steps to demonstrate that such information is secure within both its physical records and electronic files. Physical records of such confidential information are to reside in a locked file cabinet separate from other records accessible only to the Grant Administrator. If a grantee delegates responsibility to a consultant or sub-recipient for tasks which may yield confidential records, very specific controls must be established in the contract to assure that the contractor understands the responsibility for maintaining confidential records.

Guidance for securing PII has been developed by the U.S. Department of Commerce and provided to all federal agencies. These recommended standards to assure confidentiality of this information are outlined in the Guide to Protecting Personally Identifiable Information (PII). This document provides six steps to assist Grantees in working with their IT staff or provider to assure protection of PII.

[Department of
Commerce Guide to
Protecting Personally
Identifiable
Information \(PII\)](#)



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HUD has provided Capacity Building Guidance for Protecting PII which includes detailed information on steps Grantees can take to ensure the protection of beneficiaries. In addition, HUD's Privacy Handbook outlines their policies and procedures, information disclosure, risk assessments, data use inventorying and recordkeeping, for PII and can be used as a template for creating a PII Policy for the Grantee.

[HUD's Capacity Building Guidance for Protecting PII](#)

[HUD's Privacy Handbook](#)