

OEO/HUD POLICY ON THE URBAN TECHNICAL ASSISTANCE PROGRAM

I. INTRODUCTION

The Urban Technical Assistance Program (formerly called the T&TA/PDP Program) is now in its second year. The Office of Economic Opportunity committed \$4 million of FY 69 funds to this program in order to underscore its commitment both to the Model Cities Program itself and to the development of effective citizen participation. The purpose of this money is to build the capacity of Model Cities residents to respond knowledgeably and effectively to the requirements of the Model Cities Program by supporting responsible neighborhood organizations so that they can assess their problems and can work effectively with city government and other local institutions in the planning, execution and evaluation of programs. This effort also supports OEO's recent policy of strengthening resident organizations through the CAA.

The Office of Economic Opportunity, after consultation with HUD, has decided that the Urban Technical Assistance Program should be continued. In making this decision, however, both agencies are committed to increasing the effectiveness of these grants, particularly with respect to those problems raised by the OEO evaluation reports. These problems are addressed in Part V below.

This document contains the policies by which these grants will be refunded. Also included in this document is the regional process for review and concurrence and the OEO funding guidance and allocations.

II. OBJECTIVES

- A. To provide these opportunities to 40 to 60 cities where there is CAA, CDA and local executive support.
- B. To provide citizens with a diversity of experience and capability in local institutional planning, resources allocation, monitoring and program evaluation.

III. FUNDING CRITERIA

OEO and HUD believe that the number of grants should be reduced in each region in order to insure that only high quality proposals are refunded. The Regional Offices should also insure that the number of grants not exceed their capacity to continuously monitor and evaluate each city's progress. Both OEO and HUD are extremely concerned over the capability of the regions to keep on top of these grants.

In order to be refunded, the grants must demonstrate the following:

- A. Written concurrence of local government, the CDA, the CAA and the recognized citizen structure.
- B. The neighborhood group's full participation in the planning and preparation of the proposal for refunding.

- C. The identification of specific goals which the grantee plans to accomplish in the next year must be clearly delineated in the work program. These goals are particularly important in those instances where the work program concentrates heavily on conventional training devices.
- D. CAA/CDA Relationships--Priority will be given to cities where the CAA and CDA have demonstrated a willingness to work effectively with each other in solving the problems of the model neighborhood or where the proposed project will materially improve CAA/CDA relationships.
- E. CDA Commitment--Must be evidenced by a willingness to invest some of its funds for this project. CDAs are expected to set aside a substantial amount of funds but are not required to match OEO's grant to each city.

IV. PROCEDURES AND REQUIREMENTS

- A. OEO and HUD funds will be transmitted through the CAAs and CDAs respectively by grant and contract instruments that will clearly state the objectives and purposes here described.
- B. Applications for refunding will be developed with assistance from CAA, CDA, consultants, and relevant Federal staff.
- C. Federal funds allocated under this project for local programs shall be used only for activities outlined in the work program in the application. The CAA and CDA shall establish specific procedures to jointly monitor and evaluate the conduct of the program. Any modifications in the work program must have the concurrence of both the CAA and CDA.
- D. Funds allocated for neighborhood groups under these grants and contracts may be used to provide planning, training and technical assistance services to assist neighborhood residents including, but not limited to the following:
 - 1. Full-time staff for neighborhood groups to plan and develop services under these programs.
 - 2. Formal training programs for neighborhood resident groups and staff.
 - 3. Collection and dissemination of relevant information about Model Cities and related programs to neighborhood residents.
 - 4. Retaining consultants, (lawyers, community organizers, planners, programmatic specialists, etc.) to advise on substantive programs and planning.

25% - 225
75% - Tech
asst.

5. To develop and carry out evaluation of the Model Cities planning and implementation process by the recognized citizen participation structure.
- E. It is important that the technical assistance to resident groups be an integral part of the Model Cities planning process. These funds are not intended to establish a separate planning apparatus with separate staff that functions in isolation and apart from those agencies engaged in the planning process.
- F. Applications should place heavy emphasis on the development and appropriate use of para-professional trainers indigenous to the target area. These trainers should be drawn from among unemployed or underemployed heads of households.
- G. Grant applications must also indicate the specific CAA and CDA personnel responsible for monitoring and administering the T&TA and planning programs.
- H. The HUD-MC Regional Offices are to be responsible for assuring that the local government has indicated its interest in exploring the possibility of retaining these funds for training and technical assistance for model neighborhood residents groups before such groups are approached.

V. EVALUATION REPORTS

As mentioned above, last year OEO contracted for an intensive evaluation of these grants. The evaluation contracts were awarded to two consulting firms, Abt Associates, Inc., and BLK Group, Inc., each of whom is evaluating ten cities over three phases of development. The phases are: 1) The process by which the application was developed; 2) The kinds of training and technical assistance programs funded under these grants; 3) and the impact of the program on the residents' involvement in Model Cities.

The contractors have recently completed Phase I, which deals with the process the CAA and CDA used in order to think through and develop their applications. The guidelines required the CAA and CDA to heavily involve the citizens in every step of developing the application. The completed First Phase evaluations spotlight certain key deficiencies in the process.

The key deficiencies were these:

1. The Regional Office and the cities were not given sufficient time to produce quality applications with full resident involvement.
2. Irrespective of the abbreviated time factor, many cities failed to adequately involve the residents in the decision-making process. Too often the applications were written by the CAA or CDA staff and presented to the residents for concurrence. Many of the

residents did not see the program guidelines until after the grants were funded.

3. There was confusion in some cases as to who is the "fiscal agent" for these grants. The residents in some cities assumed that they could not only have a major voice in what programs would be funded, but that they could also control the disbursement of the funds themselves. The guidelines clearly state that the CAA is accountable for all funds spent under this program regardless of whether the CAA delegates this responsibility to another agency.
4. The work program for a large number of grants placed too much emphasis on the conventional types of training and too little emphasis on innovative, independent technical assistance to neighborhood organizations.

5. In a few cities, these grants were a source of considerable irritation between the CAA and CDA. Because the evaluation has been completed in only the First Phase, it is not clear whether the grants themselves contributed to a hostile CAA/CDA relationship or merely reflected a poor relationship which existed prior to the grant. In either case, it is the policy of OEO and HUD to terminate those grants which are the source of continuing conflict and are detrimental to cooperative CAA-CDA relationships or effective citizen participation.

The First Phase of the evaluation indicates several accomplishments of these grants. These are:

1. In many cities, these grants served to build relationships between CAAs and CDAs.
2. Citizen organizations for the first time developed their own training and technical assistance capacity which was tailored to meet their needs and aspirations.
3. In some cities which were failing to meet the minimum requirements for citizen participation, these grants enabled the city to improve its citizen participation.

It is important to note that these evaluations show a high correlation between successful grants and close CAA/CDA cooperation. Further, there is a correlation between successful grants and a close working relationship between the HUD and OEO Regional Offices. Where possible, the CDA should contribute funds to this program. If this is not possible at the time of the refunding of UTAP, CDAs should include funds for this program in their next comprehensive plan.

VI. GRANT REVIEW PROCEDURE

A. Because of last year's experience when grants were funded under enormous time pressures, it is particularly important that the Regional Offices give special attention to the procedure for refunding. Each OEO Regional Office will develop an overall plan for the refunding of these grants. This plan must have the concurrence of the Assistant Director for Operations, OEO before funds will be released to the regions. The plan will contain the following:

1. A list of cities which the region intends to refund with a justification for each proposed refunding.
2. A list of those cities which will not be refunded with an appropriate explanation. (No new cities will be funded except under exceptional circumstances. Because it is OEO's objective to significantly increase the monitoring and evaluation of these grants, any addition of new cities will necessarily make that objective more difficult to achieve.)
3. A careful estimate of the amount of technical assistance which will be required to insure that cities have the necessary help to put together a quality refunding package.

The plan must also indicate where this assistance will come from (OEO/HUD staff or contractor personnel) and include a schedule for delivering this assistance.

4. The plan should contain an accurate regional funding figure for the refundings and technical assistance contract. Consideration should be given to the amount not spent because of carry over, grant termination, and short fundings of grants because they are funded on a program year basis. The funding figure on the plan will be the determinant of the amount allocated to the region by Headquarters.
 5. A written concurrence from the Regional Office of HUD on those cities recommended to be refunded.
- B. 1. The Office of Operations, OEO, in conjunction with HUD is developing an intensive three to four hour training session for those Regional Office staff involved in the refunding of these grants. These training sessions will begin shortly in each Regional Office. The Regional OEO Model Cities Coordinator working with the OEO Model Cities and Special Projects Branch in Headquarters will be responsible for carrying out this training.
2. Because of the priority of these grants, OEO Headquarters will commit its Model Cities staff to full-time effort to carry out the objectives contained in this document. The staff will be **available** to assist and advise the Regional Offices and to work

in the field with the Model Cities Coordinator. The Model Cities Coordinator in each Regional Office will spend as much time as necessary to insure that the refunding process is carried out effectively.

3. The major responsibility for providing technical assistance to the grantees will be in the OEO Regional Office. As outlined in Part VII, A. 2 below, the Regional Office may use some carry-over funds to purchase a technical assistance capability. The region should anticipate spending two man months on each grantee which could include assistance in preparing the refunding package as well as monitoring and evaluation of the grant over the next year. The estimated cost for six grantees would be \$30,000. The Model Cities Coordinator should work with the HUD ARA in developing the technical assistance plan. The OEO Regional Office has the option of using its technical assistance funds for a separate Model Cities technical assistance contract or purchasing a portion of the overall Regional technical assistance contract. The Model Cities and Special Projects Branch in cooperation with the T&TA Division will develop a model work program for the Model Cities Coordinator to use in those cases where the region decides to purchase a portion of the overall TA contract. The model work program will insure uniform procedures and guidance with all of the contractors in the other regions. This plan will be approved by T&TA Division in consultation with the Model Cities and Special Projects Branch.

VII. FUNDING GUIDANCE

OEO has allocated \$4 million from FY 1970 funds to implement its agreement with HUD to refund qualified grantees. One million is Local Initiative funds (Section 221); three million is Training and Technical Assistance funds (Section 230).

A. Funding Controls

1. The following guidelines will be observed:
 - a. Applicants should be instructed to submit a funding request with a single program account number (Urban Technical Assistance Program #64).
 - b. One-fourth of each grant will be charged to Section 221 and three-fourths will be charged to Section 230. Consequently, each grantee must be instructed that not less than 75 percent of the funds made available under this program must be expended for activities which meet the description of T&TA, as set forth in Part C below.
 - c. Each grantee must supply non-Federal share required under Section 225 for the one-fourth of Section 221 funds or five percent of the grant amount. In addition, that one-fourth

of Section 221 funds will be treated as part of the amount allotted to the appropriate State in determining whether the allotment requirements of Section 225 have been met.

- d. OEO contracts for this program (if any) with funds from both 230 and 221 sources should carry the Regional Accounting Codes for both T&TA and PDP. The amount to be charged to each code should be clearly indicated.
2. The maximum regional allocations below are based on existing funding levels of FY 1969 funded grantees and are as follows:

<u>Regions</u>	<u>Amount</u>
I	\$ 420,000
II	575,000
III	285,000
IV	570,000
V	700,000
VI	345,000
VII	250,000
VIII	100,000
IX	300,000
X	<u>155,000</u>

TOTAL \$ 3,700,000

It is anticipated that many of the grantees will have carry-over at the end of the Fiscal Year. Because these are first year refundings, there may be cities which will require some additional funds before their PIP level can be established. Where it is justified, some increases can be allowed. Funds accrued from cities which will be terminated may also be used to establish a larger operating level in refunded grantees. As stated earlier, the Regional Office may, with concurrence from the Office of Operations, use a portion of excess funds, from either carry-over or termination, to establish a technical assistance capacity to assist in the refunding of these programs.

The grants will be funded on the basis of the CAAs program year. Either carry-over will be used or a new grant will be funded to the grantee until the end of the grantee's program year. When the program year ends the UTAP grant package will become a part of the regular CAA grant package and will be funded automatically out of FY 1971 funds. This year's UTAP Program Guidelines will be used in all fundings out of FY 1971 funds.

The region will develop a plan for the UTAP which will include all refundings, grant terminations, short fundings because of the switch to program year and technical assistance contracts. This plan will show a specific amount needed by the regions to refund the grants and meet their technical assistance needs. The amount shown should be within the maximum Regional allocation shown on the preceding page. The funding amount shown in the plan will be allocated to the regions after the regional plan is approved by the Office of Operations in OEO Headquarters.

B. Processing and Coding

1. Review and Sign-off--Upon submission of the funding request to the OEO Regional Office (copies having been submitted concurrently to the CDA, the City's local executive, the SEOO and the Governor), it will be coordinated among the Field Representative, Regional Chief of T&TA, PB&E Chief and Governmental Relations Chief so that review, analysis, and approval are facilitated. The Chief of the Governmental and Private Sector Relations Branch will have final concurrence on all UTAP grants.
2. The staff person completing the CAP Form 14 will make a single line entry listing P/A 64 (Urban Technical Assistance Program) under Item 8. Item 7 should list 221 and 230. Non-Federal share will be applicable only to the one-fourth of the grant funded under Section 221. However, the NFS in-kind contribution may be in support of either type of activity--221 or 230--of this program account.
3. The monthly financial report will report expenditures for this program account as a single line entry on CAP Form 15a, and will not attempt to differentiate between activities under Section 221 and 230. Grantees shall be so informed by the funding office at the time of funding.

C. Description of Permissible Activities

The activities which may be undertaken with these grant funds are listed in Paragraph D, on Page 2 and 3 of this document.

However, it is important that these activities be described further in the applicant's work program and that clear distinctions be made between T&TA activities and other activities. This distinction is necessary because 75 percent of the funds for each grant are being advanced under the authority of Section 221. Consequently, at least 75 percent of the expenditures under each of the grants must be for T&TA activities within the scope of Section 230.

Funds charged to Section 230 may only be used to obtain technical assistance for the grantee organization and to provide training that is needed and is supplied in order to enable the person trained to participate effectively in the work of the grantee organization for the approved purposes of the grant. Such training must be furnished for the staff, board members, and other persons who work with the grantee. Where a neighborhood organization is of a reasonably limited size and performs a definite role in the Model Cities Program and all members are working members of the organization, training may be provided to all members of the organization. As used here, technical assistance means those services which are furnished to the grantee organization by persons who either are not regularly employed by it or are employed on an intermittent basis, and which deal with specific problems, the resolution of which requires expertise not present within the grantee organization. Funds charged to Section 230 may not be used to pay for administrative or operating costs unless incurred directly in obtaining training and technical assistance described above and may not be used to conduct community organization or general education activities.