

Introduction

On January 13, 2025, the Department of Housing and Urban Development (HUD) issued the Community Development Block Grant Disaster Recovery Universal Notice: Waivers and Alternative Requirements (the “Universal Notice”). The Universal Notice describes the processes, procedures, timelines, waivers, and alternative requirements that U.S. Department of Housing and Urban Development (HUD) intends to implement with each allocation of Community Development Block Grant Disaster Recovery (CDBG-DR) funding after a qualifying presidential disaster declaration.

This document demonstrates management’s capacity for the State of Louisiana in the implementation of recovery plans. The Louisiana Division of Administration, Office of Community Development – Disaster Recovery (LOCD-DR-DR) is the designated agency for all State of Louisiana Disaster Recovery and Mitigation grants issued by the HUD.

Capacity Assessment

Per Section II.A.1.g.(i).(2) of the Universal Notice, the LOCD-DR completed a Capacity assessment to ensure it can carry out all CDBG-DR and CDBG-MIT recovery efforts. The results of this assessment follows.

Per Section II.A.1.g.(i).(1) of the Universal Notice, the Governor of Louisiana has designated the Louisiana Division of Administration, Office of Community Development, Disaster Recovery (LOCD-DR) as the lead agency responsible for implementation of all CDBG-DR and CDBG-MIT awards. Program administration will be led under the direction of the LOCD-DR Executive Director who will report directly to the Commissioner of the Division of Administration for the State of Louisiana or his designee(s).

Currently, LOCD-DR manages eleven HUD grants with an annual budget of over \$1 Billion for the State’s fiscal year 2025 and has over 19 years of prior experience in managing HUD funds. LOCD-DR has existing systems and procedures, as well as formally established monitoring strategies that encompass crosscutting regulatory requirements including HUD program rules and regulations, civil rights, environmental, labor standards, fair housing, citizen participation and recordkeeping. The CDBG-DR program will leverage these existing resources and adapt them to the requirements of this Universal Notice and related guidance.

LOCD-DR will manage grant funds responsibly, efficiently and transparently. The State has the financial management systems, policies, procedures and practices necessary to uphold fiscal responsibility as detailed in this Capacity Assessment.

The LOCD-DR Executive Director or his designee(s) will oversee daily operations of the program, including applicant intake and eligibility, contract management, policy and procedure, public information, and reporting. They will also oversee compliance and monitoring, financial management, and oversight of

the HUD line of credit, including management of the Disaster Recovery Grant Reporting (DRGR) system and timely expenditures.

Timeline and Milestones (Section II.A.1.g.(i).(3))

The state is familiar with 2 CFR 200.343 – 345 which describes the closeout process and the Period of Performance deadlines. We know how to manage expectations and set up controls to ensure all actions and required work to complete the grant is completed timely. All contracts and awards contain deadlines to ensure timely completion and allowing enough time for the state to manage the close out process with HUD.

The state is eager to address the unmet needs of its citizens that were affected by Hurricane Francine and will leverage the Restore Homeowner Program developed in response to the storms of 2020-2021. This program has already expended over \$800 million to over 9,800 homeowners to assist them in their recovery.

Monitoring and OIG Findings [Section II.A.1.g.(i).(4)]

Below are the most recent single audit and consolidated annual financial report (CAFR). Although the reports do not identify any material weaknesses, deficiencies, or concerns regarding CDBG, CDBG-DR, or CDBG-MIT funds, one finding was noted along with the states response.

The State of Louisiana Single Audit Report for the Year Ended June 30, 2024, is available electronically at: [Single Audit for the Year Ended June 30, 2024](#)

The state of Louisiana Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2024, is available electronically at:

[CAFR as of June 30, 2024](#)

1. Findings

The Louisiana Single Audit Report for the Year Ended June 30, 2024, contained one reportable findings for the LOCD-DR relating to Sam.Gov Listing Number 14.228 Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii. The finding is as follows:

- 2024-009 – Noncompliance with Reporting Requirements for the Federal Funding Accountability and Transparency Act. (Schedule C, page 354)

2. State Responses

LOCD-DR has prepared a Management Corrective Action Plan (CAP) describing how the issue is being addressed. This CAP can be found within the Single Audit:

- 2024-009 – Noncompliance with Reporting Requirements for the Federal Funding Accountability and Transparency Act. (Appendix B-6)

In addition, the LOCD-DR has been monitored by both HUD and the HUD Office of Inspector General, resulting in the following additional finding:

Small Rental Property Program (SRPP)

On January 25, 2016, HUD issued a finding regarding The Small Rental Property Program (SRPP), stating the program design lacks sufficient fiscal accounting controls and procedures to ensure that CDBG-DR funds identified as ineligible expenses are able to be recaptured and repurposed for eligible uses.

As of May 28, 2024, the State issued its final response to HUD, which is currently under HUD review. The State has identified \$18,469,848.68 for the voluntary grant reduction (VGR). Currently, the VGR pending HUD action.

Staffing [Section II.A.1.g.(ii).(1)] , [Section II.A.1.g.(ii).(2)], & [Section II.A.1.g.(ii).(3)]

LOCD-DR currently has over 108 full time positions to manage the eleven current HUD grants and the upcoming Francine B-25-DU-22-0001 grant. Currently, we have thirty-two vacancies. However, due to the depth and experience of current staff, LOCD-DR does not anticipate any delays in the recovery efforts as a result of these vacancies. Staffing levels will be managed to ensure that each grant has adequate resources, including staffing, to fulfill its mission as outlined in the Action Plan.

In the Universal Notice, HUD requested information regarding specific staffing needs, including:

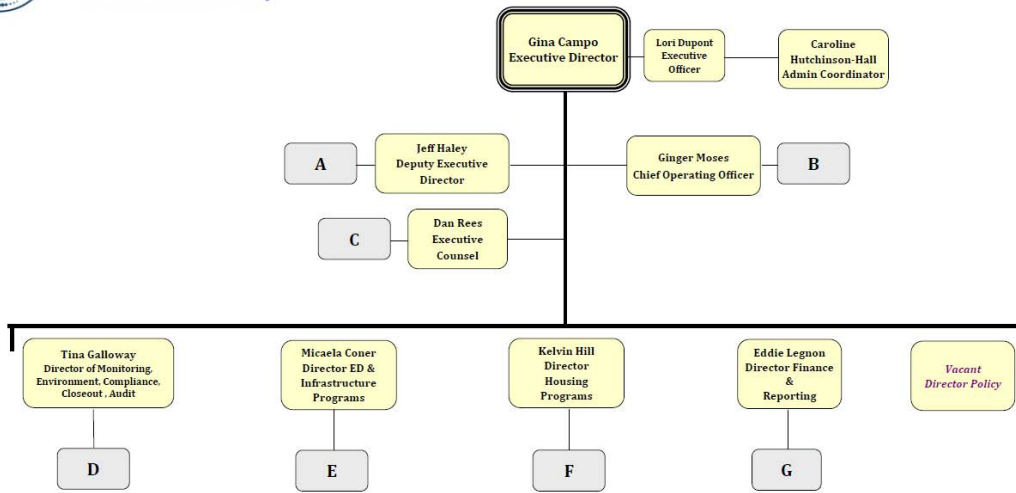
- Case management in proportion to the applicant population - The project managers for each section will be responsible to ensure the sufficient case managers are available to adequately support the applicant population. The state currently has a Program Management contract in place to manage the Restore Homeowner Program for the Disasters of 2020-2021 who will provide the same services for the Francine Housing Program. As part of their Scope of the Services, they are required to provide intake services, including call center services, case management services, customer service, document retrieval and collection, data processing, sharing, and reporting. The vendor has already demonstrated the ability to provide the scalability needed to ensure adequate support based on applicant population.
- Program managers for Housing, Economic Revitalization and Infrastructure have been identified in the Organizational chart below
- LOCD-DR has depth to its organizational structure with 53% of current staff have over 5 years of CDBG – DR experience and 26% have over 15 years of CDBG – DR experience.
- Internal auditor- The grantee’s internal auditor is independent; that function is provided by Division of Administration’s (DOA) Internal Audit Section, which reports to the Commissioner of the Division of Administration.
- Technical assistance for personnel not yet employed as well as grantees will be provided by LOCD-DR’s Program, Compliance and Financial staff as needed. The state may contract with Subject Matter Experts or other Technical Assistance Providers, should sufficient demand for technical assistance warrant. For LOCD-DR employees, both existing and new, TA will be available by in-house subject matter experts as well as formal training including COSCDA training as needed.

A draft Organizational Chart is included below along with a table that identifies the personnel or organizational unit will be responsible for each of the Financial Management and Grant Compliance Certification Requirements identified in the Universal Notice. Once all vacancies are filled, an updated Organization Chart will be forward to HUD for review.

Function	Responsible Party
TA	The Responsible party for both CDBG-DR and CDBG-MIT will be the Chief Operating Officer and may be reached at 225-219-9600
Website Management	
Economic Revitalization	The Responsible party for both CDBG-DR and CDBG-MIT will be the Director ED & Infrastructure Programs and may be contacted at 225-219-9600
Infrastructure	
Contract Management	The Responsible party for both CDBG-DR and CDBG-MIT will be the Director of Finance and Reporting and may be contacted at 225-219-9600
Financial Management	
Timely Expenditures	
Procurement	
Case Management	The responsible party for both CDBG-DR and CDBG-MIT will be the Director of Housing. In the absence of the Director of Housing, the contact person will be the Chief Operating Officer and may be reached at 225-219-9600.
Housing	
Detection of Fraud, Waste and Abuse	The Responsible party for both CDBG-DR and CDBG-MIT will be the Director of Compliance, Monitoring & Audit and may be contacted at 225-219-9600
DOB Analysis	
Environmental Compliance	
Fair Housing Compliance	
Monitoring and Compliance	
Section 3 Implementation	The Internal Auditor an independent function provided by the Division of Administration which reports to the Commissioner of the Division of Administration. The contact person will be the Internal Auditor and may be reached at 225-342-2900
Internal Auditor	

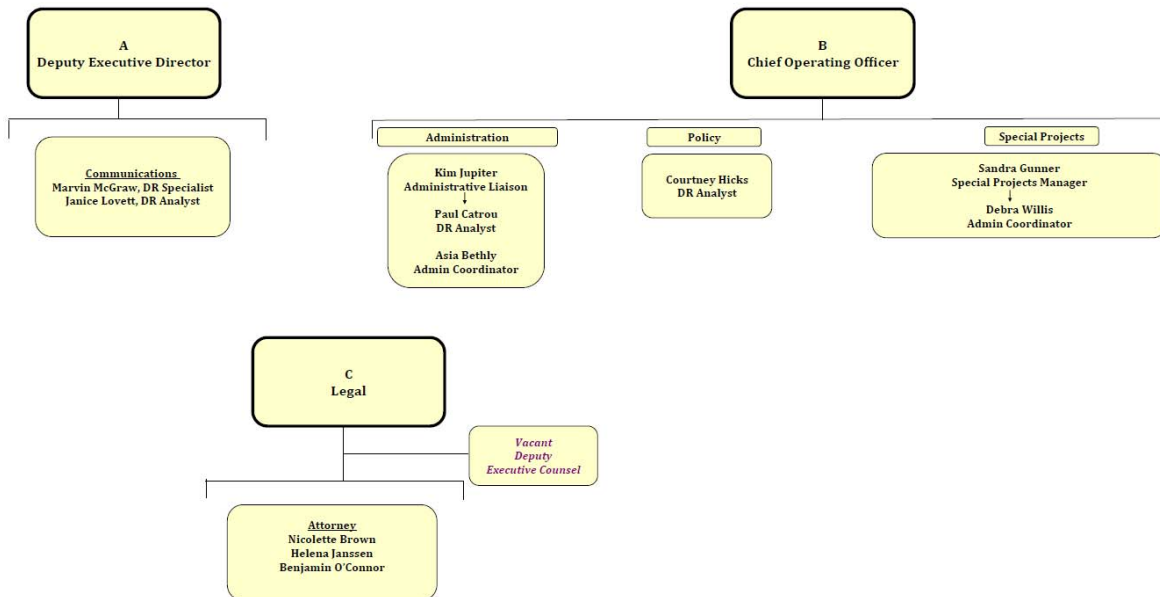


**Louisiana Office of
Community Development**
Disaster Recovery



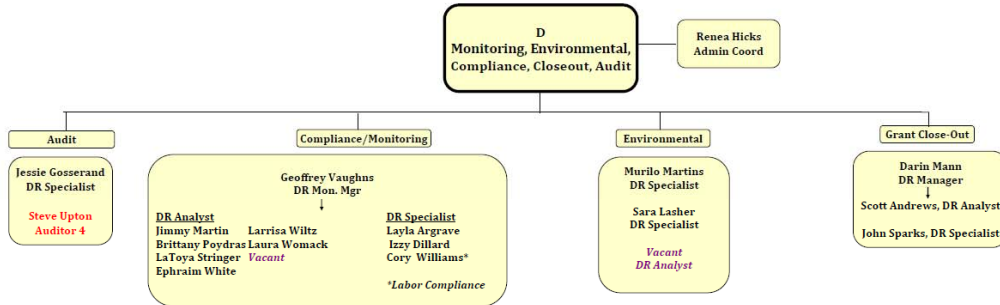
As of 11/12/2024

**Purple denotes vacant position
**Red denotes WAE positions



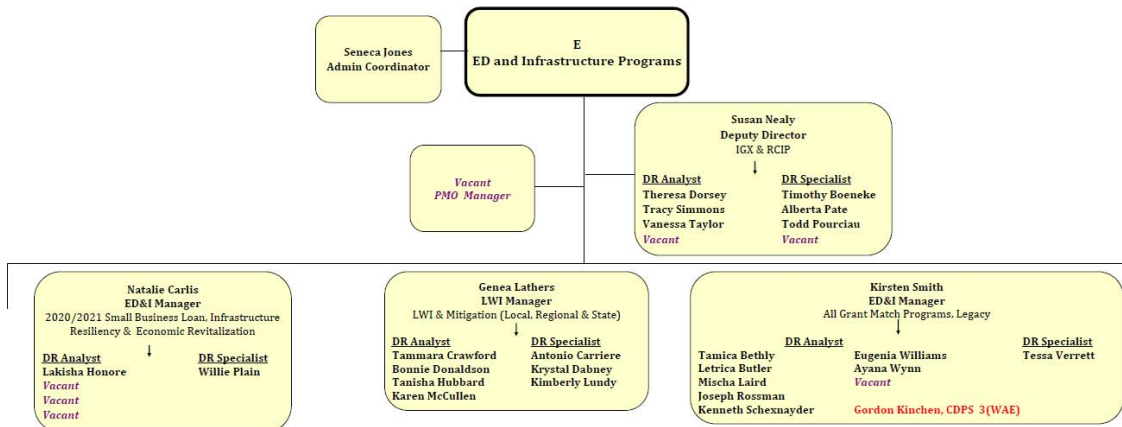
As of 11/12/2024

**Purple denotes vacant position
**Red denotes WAE positions



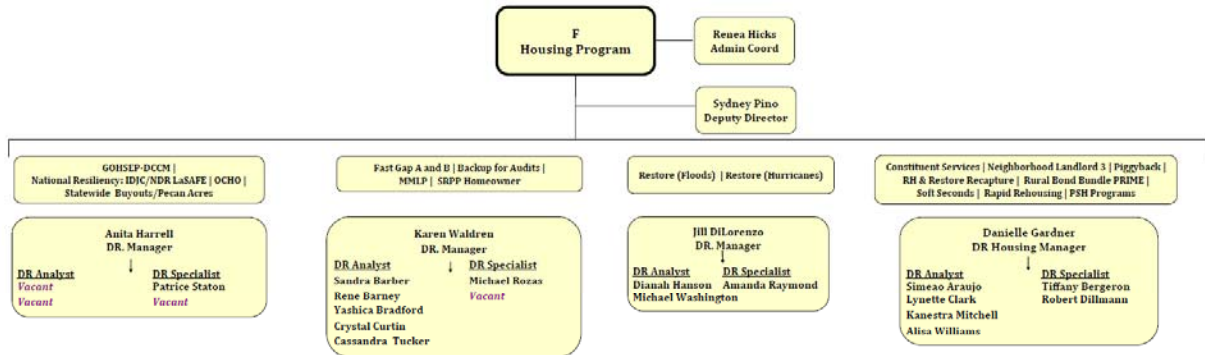
As of 11/12/2024

**Purple denotes vacant position
**Red denotes WAE positions



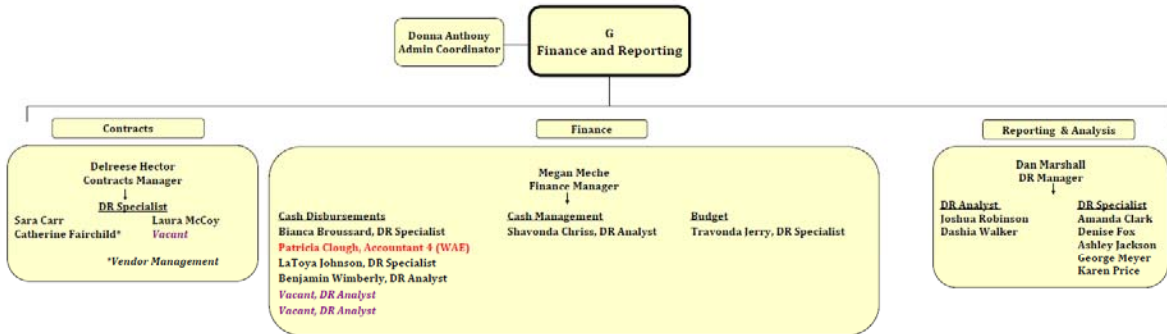
As of 11/12/2024

**Purple denotes vacant position
**Red denotes WAE positions



As of 11/12/2024

**Purple denotes vacant position
**Red denotes WAF positions



As of 11/12/2024

**Purple denotes vacant position
**Red denotes WAF positions