



State of Wisconsin Department of Administration

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Policy Number:

ADM-05-2014

Title:

Section 3 Reporting

Effective Date:

October 15, 2025

Previous Versions:

June 27, 2018

September 15, 2015

February 15, 2015

July 1, 2014

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 and 24 CFR 75**

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 sub-recipient file.

Policy:

Programs Required to Collect and Maintain Section 3 Documentation

1. HUD Funded Annual Formula Programs: CDBG, HOME, ESG, HTF and HOPWA; and

2. HUD Funded Supplemental Allocations or Competitive Awards: CDBG-DR TKE.

Accomplishment Reporting

1. The Section 3 accomplishments reporting for all DEHCR (BOH/BCD) HUD-funded programs, for all projects/grants awarded on or after November 30, 2020 that are subject to the Section 3 requirements of 24 CFR 75, is entered in HUD's reporting system for the associated grant program at the time of activity/grant closeout, per HUD requirements.
2. No accomplishments reporting is required by HUD for projects/grants awarded prior to November 30, 2020. The Section 3 reporting documentation for those projects/grants are to be maintained in the subrecipient file.

DEHCR (BOH/BCD) Sub-recipient Reporting

1. A sub-recipient's executed grant agreement will specify a reporting timeframe, usually either annually, semi-annually, or quarterly for the duration of the agreement/contract performance period.
2. DEHCR (BOH/BCD) will provide the sub-recipient with the forms for collecting and reporting Section 3 data to ensure all necessary information is on file for DEHCR (BOH/BCD) accomplishments reporting in HUD's reporting system for the associated grant program.
3. Regardless of activities or expenditure levels during the reporting period, sub-recipients will report all Section 3 activities per the executed grant agreement. Only sub-recipients that are subject to the Section 3 requirements of 24 CFR 135 or 24 CFR 75 are to submit Section 3 documentation/data to DEHCR (BOH/BCD).
4. Sub-recipients/grantees failing to submit the required Section 3 documentation may cause delay in grant payment disbursements and/or project closeout.

DEHCR (BOH/BCD) Project Representative Responsibilities

1. Provide DEHCR (BOH/BCD) Section 3 forms for reporting and data collection and Section 3 training to sub-recipients;
2. Obtain DEHCR (BOH/BCD) Section 3 documents from sub-recipients in accordance with their grant agreement; review them for completeness; and follow up on missing, incomplete, or erroneous documentation and/or information.
3. Once the Section 3 documentation is received, reviewed, and accepted, the Project Representative will file the documentation in the sub-recipient's program file.
4. All correspondence related to the Section 3 reporting submissions shall be placed in the sub-recipient's program file.
5. Upon the sub-recipient's project completion, enter the Section 3 data in the "Accomplishments" section for the grant/activity closeout in HUD's system for the associated grant program.