

March 15, 2001

Attn: PL 106-107 Comments
Department of Health and Human Services
200 Independence Ave., SW, Rm. 517-D
Washington, DC 20201

To Whom It May Concern:

On behalf of the members of the National Association of Development Organizations (NADO), we are providing comments regarding the interim/draft plan of action to implement Public Law 106-107, the Federal Financial Assistance Management Improvement Act of 1999.

NADO is a public interest group founded in 1967 to promote community, economic, and business development in America's small metropolitan and rural regions. NADO's members are regional development organizations that work directly with local governments to develop comprehensive development strategies that are locally driven and regionally beneficial.

Through this established network, NADO members directly represent 1,800 counties and more than 15,000 cities, towns, and villages. All of our 350 member organizations manage federal programs that require completing applications and reporting on a periodic basis. Many have noted they spend an inordinate amount of time completing application and reporting forms that request similar data.

Small business development loan funds are an example of how several federal agencies offer similar programs but have their own application and reporting forms and processes. The following agencies manage such programs:

- A Appalachian Regional Commission's Revolving Loan Fund
- A Community Development Financial Institutions Fund
- A Economic Development Administration's Revolving Loan Fund
- A Small Business Administration's Microloan Program
- A US Department of Agriculture's Intermediary Relending Program

Each of these programs is different (such as having differing target populations and use of funds), and NADO members manage several at the same time in order to meet the finance needs of the broadest array of businesses in their service areas.

NADO has experience trying to harmonize federal reports for these loan fund programs. In 1998-99, NADO's William Amt coordinated several meetings with representatives from the programs to discuss goals and objectives for developing a common reporting process. Amt prepared a 13-page matrix that compares all data collected by each program's report form, the findings of which emphasize the commonalities and differences in the types of

information being collected from grantees. Although the meetings failed to result in a common reporting process, it did start a dialogue between the agencies on this matter that could be used as an example in the current PL 106-107 effort.

NADO urges these agencies to come to an agreement on a common application form and a set of standard data to be collected in periodic reports with the same due date. Each program currently has its own due date for reports. NADO understands that each agency has different performance and impact data requirements; to this end, the common reporting form could have a section that is common for all the programs, followed by sections unique to each program. Each agency would receive only its own relevant information.

Grantees need to be able to access and complete these forms on the Internet. The common reporting process should also be flexible. Many NADO members use loan management software programs to efficiently manage their loan funds (examples include DownHome Solutions, Financial Accounting Systems, and Grants Management Systems). Because most of these programs can prepare reports that include the data required by the agencies, the new common reporting system should be developed to accommodate reports prepared on loan management software programs. Otherwise, loan fund staff will have to re-key the data for the federal report, which they currently do and find a waste of time.

NADO members who have experience with these forms would like the opportunity to meet with the relevant agencies to discuss their suggestions for streamlining the application and reporting process. NADO appreciates the opportunity to submit comments and looks forward to receiving a written response to our comments.

Sincerely,

Executive Director

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