



CDBG-DR Recordkeeping and Data Management Policy

**DEPARTMENT OF HOMELAND SECURITY AND
EMERGENCY MANAGEMENT**

This policy is effective as of 3/20/2026 and may be updated periodically to reflect program implementation and evolving guidance from the U.S. Department of Housing and Urban Development (HUD).

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I. PURPOSE AND SCOPE

Purpose: New Mexico’s Department of Homeland Security and Emergency Management (DHSEM) is committed to maintaining comprehensive and accurate records to support the effective management and compliance of our Community Development Block Grant Disaster Recovery (CDBG-DR) Program. Proper recordkeeping is essential not only for meeting regulatory requirements but also for ensuring transparency, accountability, and the ability to demonstrate program achievements and compliance with federal guidelines.

Scope: This policy applies to all employees, subrecipients, contractors, consultants, vendors, and beneficiaries involved in CDBG-DR funded projects. It covers all aspects of program administration including procurement, contract management, financial oversight, construction, and service delivery related to record keeping and data management.

II. BACKGROUND

Effective recordkeeping includes the creation, maintenance, and retention of records that document all aspects of program activities, financial transactions, procurement processes, and compliance measures. These records serve as critical evidence of proper use of funds and the achievement of program objectives, safeguarding the interests of stakeholders and supporting the integrity of our operations.

III. POLICY STATEMENT

In adherence to federal regulations and best practices, this policy outlines the procedures and responsibilities for record creation, retention periods, accessibility, and disposal. By adhering strictly to these guidelines, we uphold our commitment to accountability, transparency, thereby fostering trust among our partners, funders, and the communities we serve.

IV. DEFINITIONS

Term	Definition
Disaster Recovery Grant Reporting (DRGR)	A web-based platform developed by the HUD to support Grantees in managing and reporting on CDBG-DR funds. It plays a central role in data management and record keeping for CDBG-DR programs.
Personally Identifiable Information (PII)	Any data that can be used to identify, contact, or locate a specific individual, either directly (like a name or SSN) or indirectly (when combined with other data, such as a birthdate and zip code).



V. ROLES AND RESPONSIBILITIES

Stakeholder	Roles & Responsibilities
DHSEM	Maintain comprehensive and accurate records to support the effective management and compliance of the CDBG-DR program. Enter all required information into DRGR in a timely manner. Conduct regular monitoring of subrecipient activities, including review of financial and programmatic records, on-site or remote monitoring visits, and verification of compliance with applicable cross-cutting requirements. Collect and store PII securely in accordance with federal and state privacy laws.
Subrecipients	Comply with recordkeeping requirements outlined in Subrecipient Agreement or for each project/activity.
Contractors and Consultants	Comply with recordkeeping requirements outlined in contract or for each project/activity.

VI. CONFLICTS OF INTEREST AND MODIFICATIONS

To maintain the highest standards of integrity, all stakeholders, including DHSEM staff, subrecipients, contractors, and partners, must adhere to strict conflict of interest guidelines and the Conflict of Interest Policy.

VII. DOCUMENTATION & RECORDKEEPING

A. *Beneficiary File Content*

Below is a comprehensive list of items that should be included in a recipient file when applying for the CDBG-DR. These items should be retained in client files. This ensures compliance with HUD requirements and provides documentation for eligibility, funding decisions, and program monitoring.

1. CDBG-DR Beneficiary File Checklist

Beneficiary Identification & Intake

- Completed and signed New Mexico Home Recovery (HRP) application (must be signed by the beneficiary)
- Government-issued photo ID (e.g., driver's license or passport)



- Proof of residency (utility bill, lease, or mortgage statement)
- Social Security card or proof of SSN
- Date of birth documentation (e.g., birth certificate)

Income & Household Verification

- Updated CDBG HUD Income Limit chart for the applicable year (when services are provided/client intake takes place)
- Income verification (pay stubs, SSI/SSDI, Zero Income Attestation Form, tax returns, benefits statement)
- Employment verification (letter from employer or W2)
- Household size and composition (e.g., affidavit or census)
- Proof of other sources of income (e.g., alimony, disability, child support)

Proof of Disaster Impact

- Documentation of a direct or indirect impact
- FEMA award or denial
- Insurance claim documentation or denial
- Photographs of damage (pre- and post-disaster if available)
- Damage inspection or environmental assessment reports
- Proof of ownership at time of disaster (e.g., deed, title, property tax record)

Eligibility Documentation

- Duplication of Benefits (DOB) analysis and supporting documentation
- Income eligibility determination worksheet
- Verification of citizenship or qualified alien status
- Proof of property ownership or rental agreement
- Proof of primary residence (affidavit or utility bills)
- County residency verification (ID, Driver's License, Property Appraiser Site, and/or Homeless Status Verification) or homelessness Eligibility Criteria (Client Consent Form and Attestation Form)

Program-Specific Forms

- Signed consent forms for data sharing and release of information
- Conflict of interest disclosure (if applicable)



- Lead-based paint disclosure
- Environmental review documents (as applicable)
- Relocation or displacement documentation (if applicable under URA)

Financial Documentation

- Cost estimates or contractor bids
- Award letters or grant agreements
- Payment and disbursement records
- Receipts, invoices, and proof of payment
- Reimbursement requests (if applicable)

Communication & Case Management

- Case notes or caseworker summaries
- Correspondence logs (emails, phone calls, letters)
- Appeals, complaints, or grievance records
- File review and quality control checklists

Closeout & Monitoring

- Program entry/exit documentation for each beneficiary
- Final inspection or completion certificate
- Satisfaction survey or sign-off by applicant
- File audit or monitoring reports
- Documentation of file retention schedule

Beneficiary files must be properly labeled. Naming convention should include: Beneficiary Name with Funding Source and Fiscal Year (ex. John Doe, HMIS #22222, Lincoln County CDBG-DR FYXX-XX).

B. Disaster Recovery Grant Reporting (DRGR)

The Disaster Recovery Grant Reporting (DRGR) System is a web-based platform developed by the HUD to support Grantees in managing and reporting on CDBG-DR funds. It plays a central role in data management and record keeping for CDBG-DR programs.

DRGR is used by the State to:

- Access grant funds and request reimbursements.
- Submit Action Plans detailing how funds will be used.



- Track performance and report accomplishments.
- Manage financials, including program income and expenditures.
- Monitor compliance with federal regulations.
- Generate Quarterly Performance Reports (QPRs) to show progress on funded activities.
- Provide public transparency through data portals and reports

DRGR includes several modules to support comprehensive grant management:

- Administration Module: Manages user roles and access.
- Manage My Grants: Handles Action Plans, activities, and performance reports.
- Manage My Financials: Tracks disbursements and income.
- Manage My Compliance: Documents audits, monitoring, and technical assistance.
- Data Analytics Module: Offers reporting tools and public data access.

DRGR supports standardized record keeping by:

- Capturing both quantitative and qualitative data on program activities.
- Providing a centralized database for storing historical and current data.
- Enabling data aggregation and analysis for internal HUD use and Congressional reporting.
- Ensuring transparency and accountability through public reporting tools.

C. Location of Records

For records pertaining to Action Plan development and any subrecipient files as deemed applicable to future projects, the DHSEM maintains a secured, cloud-based SharePoint system, accessible to the CDBG-DR program management staff.

In addition to State-managed systems, HUD's DRGR system is the official system of record for all CDBG-DR grants. The DHSEM shall ensure that all financial transactions, obligations, and performance data are entered into DRGR in a timely and accurate manner.

D. Beneficiary Privacy

Protecting the privacy of program beneficiaries is a top priority. Personally Identifiable Information (PII), including names, date of birth, Social Security numbers, and addresses will be collected and stored securely in accordance with federal and state privacy laws. Access to PII is limited to authorized personnel with a legitimate need to know, and all data sharing – such as date of birth verification or eligibility determinations – is conducted through secure, encrypted systems or redacted documentation where appropriate. We ensure that all staff handling sensitive information are trained in confidentiality protocols to prevent unauthorized access, use or disclosure.



In addition to confidentiality protocols, the State shall implement comprehensive data security measures to safeguard both physical and electronic records:

- **System Backups and Disaster Recovery:** All electronic records must be backed up regularly and stored in a secure, redundant system to protect against accidental loss, corruption, or disaster. A disaster recovery plan shall be maintained to ensure timely restoration of records in the event of system failure.
- **Encryption Standards:** Personally identifiable information (PII) and sensitive financial data shall be stored and transmitted using encryption methods consistent with Federal Information Processing Standards (FIPS) and other HUD-recommended security guidelines. Access to encrypted data shall be limited to authorized staff with appropriate credentials.
- **Access Controls:** User access to record systems shall follow the principle of least privilege, requiring authentication and authorization protocols. Access logs must be maintained to monitor system use and detect unauthorized activity.
- **Data Breach Protocols:** In the event of a suspected or confirmed data breach, DHSEM shall follow a documented incident response plan. This includes immediate containment, investigation, notification of affected individuals as required by law, and corrective measures to prevent recurrence.
- **Periodic Security Reviews:** The State shall periodically review its data security practices and conduct audits or vulnerability assessments to ensure ongoing compliance with federal and state standards.

These provisions align with 2 CFR § 200.303 (internal controls), 2 CFR § 200.335 (electronic recordkeeping standards), and applicable federal and state privacy laws.

E. Subrecipient Recordkeeping

Recordkeeping requirements will be outlined in a subrecipient agreement or each project/activity. Subrecipients must continue to maintain records until at least three years after the State's HUD closeout date, unless otherwise directed, even if subrecipient closeout occurs earlier. In addition, subrecipients must provide access to the County, HUD, the Comptroller General of the United States, or other authorized governmental Agencies to any pertinent records for purposes of monitoring and audits, examinations, excerpts, and transcripts (2 CFR 200.337).

- **All Subrecipients are required to keep comprehensive and accurate records related to the project participants (individuals and households served).**

In accordance with 24 CFR § 570.501(b), while subrecipients are required to maintain complete and accurate records, the DHSEM as grantee remains ultimately responsible for ensuring that all program requirements are met. To fulfill this responsibility, the DHSEM shall conduct regular monitoring of subrecipient activities, including review of financial and programmatic records, on-



site or remote monitoring visits, and verification of compliance with applicable cross-cutting requirements.

F. Subrecipient File Content

Subrecipients must maintain sufficient documentation to demonstrate compliance with CDBG-DR program rules, including program eligibility, use of funds, procurement, and performance. Their files are focused more on program administration, financial compliance, and service delivery, rather than individual client eligibility unless they are directly administering housing or services to clients. Below is a typical Subrecipient File Checklist for CDBG-DR programs:

1. CDBG-DR Subrecipient File Checklist

Agreement & Program Documentation

- Executed Subrecipient Agreement with the Grantee
- Scope of Work/Work Plan
- Budget and approved amendments
- Performance goals and timelines
- Program policies and procedures (eligibility, intake, monitoring, etc.)
- Records of staff roles and responsibilities

Financial Management

- Chart of accounts and general ledger
- Timesheets and payroll records of staff paid with CDBG-DR funds
- Budget-to-actual expenditure reports
- Invoices, receipts, and payment documentation
- Documentation of matching funds or leveraged resources (if applicable)
- Cash management documentation (e.g., drawdowns and reconciliations)
- Cost allocation plan (if sharing costs across multiple funding sources)

Procurement & Contracting

- Procurement policies and procedures
- Bid solicitations and advertisements
- Cost price/analysis
- Conflict of interest disclosures
- Contracts with third-party vendors/contractors



- Contractor eligibility verification (e.g., not debarred via SAM.gov)
- Contractor performance and monitoring records

Program Compliance

- Eligibility documentation (summary reports if not client level)
- Duplication of Benefits (DOB) procedures and compliance records
- Environmental review documentation (as applicable)
- Section 3 compliance documentation (if applicable)
- Uniform Relocation Act (URA) compliance records (if applicable)
- Language access and ADA compliance documentation

Monitoring & Reporting

- Program progress reports submitted to the Grantee
- Internal monitoring reports and corrective action (if any)
- Monitoring reports from the Grantee or HUD
- Documentation of corrective actions required and taken (if applicable)
- Records of training and technical assistance received/provided
- Meeting minutes (for governing body or program-specific oversight)

Record Retention & Privacy

- Record retention and destruction policy
- Documentation of secure storage of client data (if applicable)
- Confidentiality training records (if handling PII)

Closeout

- Final performance report
- Financial reconciliation and closeout documents
- Audit reports and resolution of any findings

If the subrecipient is providing direct services to clients (e.g., housing rehab, rental assistance), then client-level files similar to those held by the Grantee must be maintained as well, including:

- Application forms
- Eligibility documentation
- DOB analysis



- Client correspondence
- Inspection reports and work completion documents

G. Recordkeeping Related to Civil Rights

Recipients of CDBG-DR funds must comply with federal and state labor, civil rights, fair housing, equal opportunity, and equal employment opportunity statutory requirements. These laws are designed to ensure that members of protected groups are treated fairly by avoiding discrimination, providing equal opportunity, and acting to affirmatively address discrimination based on race, color, religion, national origin, age, sex, disability, and/or family status.

In accordance with 24 CFR § 570.490(c), the State shall make records related to the use of CDBG-DR funds available for public inspection, consistent with applicable state public records laws and subject to protections for personally identifiable information (PII) and other confidential data. This includes records sufficient to demonstrate how funds have been used, how national objectives have been met, and how the State and its subrecipients have complied with applicable requirements.

Public access procedures must balance transparency with privacy and security obligations. Records released for public inspection shall be redacted as necessary to protect PII, sensitive financial data, and other exempt information. Requests for access shall be logged, and copies of released documents shall be retained in the official record to document compliance with public access obligations.

Subrecipients are required to review and comply with the applicable crosscutting regulations which are summarized in the CDBG-DR Action Plan and can also be found in the CDBG-DR Program Manual.

Subrecipients must maintain records documenting compliance with equal opportunity, and civil rights requirements. At minimum, documentation must be obtained concerning:

- Demographic data relating to persons who have directly benefited or participated in any CDBG-DR funded Public Service program including race, ethnicity, gender, disability etc.
- Demographic Information on the benefit area and the services provided including the race and ethnic character of the service area.
- Information of job created (job training/job placement services) for qualified individuals and/or in impacted areas (if applicable).

Generally speaking, this information is collected as part of programmatic reporting and submitted to the State along with a reimbursement request.

VIII. REFERENCES

The DHSEM shall follow the New Mexico Administrative Code (NMAC) in circumstances where the more restrictive policy shall prevail for retention of records.



Executive Order, Federal and State Laws and Regulations	Description
<p>HUD Federal Register Notices</p>	<p>Provide allocation-specific guidance for disaster recovery funds. Applicable notices for DR-4795 and DR-4843 include:</p> <ul style="list-style-type: none"> • February 3, 2022 (87 FR 6364) • May 24, 2022 (87 FR 31636) <p>Any subsequent amendments or supplements.</p>
<p>2 CFR 200</p>	<p>Establishes requirements for procurement, contractor oversight, financial management, and internal controls.</p>
<p>2 CFR 200.334</p>	<p>Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a federal award must be retained for a period of three years from the date of submission of the final expenditure report.</p>
<p>24 CFR 570.490</p>	<p>Requires records of the State and units of general local government, including supporting documentation, shall be retained for the greater of three years from closeout of the grant. Therefore, the State will retain all necessary documents as required by 2 CFR § 200.334 and 24 CFR 570.490 for 3 years after the closeout of the grant or the period required by other applicable laws and regulations as described in § 570.487 and § 570.488.</p>
<p>24 CFR 570.487</p>	<p>Outlines Other Applicable Laws & Requirements for State CDBG Programs, focusing on Fair Housing, Accessibility, and General Compliance with other statutes.</p>
<p>24 CFR 570.488</p>	<p>Outlines the rules for CDBG programs, specifically addressing the displacement, relocation, acquisition, and replacement of housing</p>
<p>24 CFR 570.493</p>	<p>HUD's reviews and audits:</p> <p>(a) General. At least on an annual basis, HUD shall make such reviews and audits as may be necessary or appropriate to determine:</p> <p>(1) Whether the state has distributed CDBG funds to units of general local government in a timely manner</p>



	<p>in conformance to the method of distribution described in its action plan under part 91 of this title;</p> <p>(2) Whether the state has carried out its certifications in compliance with the requirements of the Act and this subpart and other applicable laws; and</p> <p>(3) Whether the state has made reviews and audits of the units of general local government required by § 570.492.</p> <p>(b) Information considered. In conducting performance reviews and audits, HUD will rely primarily on information obtained from the state's performance report, records maintained by the state, findings from on-site monitoring, audit reports, and the status of the state's unexpended grant funds. HUD may also consider relevant information on the state's performance gained from other sources, including litigation, citizens' comments, and other information provided by the state. A State's failure to maintain records in accordance with § 570.490 may result in a finding that the State has failed to meet the applicable requirement to which the record pertains.</p>
<p>24 CFR 570.492</p>	<p>Outlines the State's responsibility for reviewing and auditing local government compliance with the CDBG program.</p>
<p>24 CFR 570.490(d)</p>	<p>For purposes of this policy, “closeout” refers to the formal grant closeout by HUD of the State’s CDBG-DR grant, as evidenced by HUD’s official closeout letter and final grant agreement reconciliation. Subrecipient or contractor closeouts may occur earlier, but such actions do not trigger the start of the retention period for records subject to federal requirements. Subrecipients must continue to maintain records until at least three years after the State’s HUD closeout date, unless otherwise directed.</p>
<p>Title 1, Chapter 21, Part 2, New Mexico Administrative Code</p>	<p>Retention and disposition of public records.</p>