A Beginner's Guide to Completing 811 PRA Administrative Draws

for Supportive Housing for Persons with Disabilities

Section 811 Project Rental Assistance Program (Section 811 PRA)

Contents

Introduction

This guide is a high-level overview of the processes a Section 811 PRA Grantee must complete to access administrative funds associated with their award. Secure Systems and eLOCCS are established HUD systems that have several training tools in place to support Grantees. A Resource Guide with links to these tools can be found at the end of this document.

Administrative Costs are allowable at a rate that is no more than a certain percent of the rental assistance grant amount awarded. The Grantee's Cooperative Agreement and HUD establish this percentage. The Cooperative Agreement also identifies eligible uses of these funds. In general, they may be used for planning and other costs associated with developing and operating the Section 811 PRA program, including infrastructure and technology needed to operate the program and costs incurred after applicant's receipt of an award letter and before the execution of the Cooperative Agreement.

Once the fully-executed Cooperative Agreement is submitted to HUD, the Grantee must ensure they have access to HUD Secure Systems, which is the data system managed by HUD's Real Estate Assistance Center. Once Secure Systems access is obtained, and the Grantee has established Secure Systems Coordinators and Users, the Grantee is ready to begin the process of becoming a HUD Business Partner through HUD's electronic Line of Credit Control System (eLOCCS). eLOCCS is an application that is accessible through Secure Systems and is used to disburse funds.

After an overview of the Cooperative Agreement and each of the two systems (Secure Systems and eLOCCS) involved in drawing down administrative funds, this guide explains the steps each Grantee must take to obtain a disbursement of administrative funds.

Cooperative Agreement

The Section 811 PRA Program Cooperative Agreement Form (HUD-93205-PRA) is the contract between a Section 811 PRA Program Grantee and the US Department of Housing and Urban Development. The Cooperative Agreement contains information that is critical to the administrative draw process. Please review the full Cooperative Agreement for more information on the administrative draw process and eligible activities.

Once the Cooperative Agreement is signed by the Grantee and sent back to HUD, HUD staff will submit the contract information to HUD's CFO Office to obligate the funds to the Grantee in a subsystem called eLOCCS, which resides in HUD's Secure Systems. Below is a summary of the contract provisions that are most relevant to the administrative draw process.

Cooperative Grant Agreement Numbers

The Cooperative Grant Agreement Number is used to establish the Grantee's Secure Systems access, Coordinators and Users. Exhibit 4 of the Cooperative Agreement contains the Total Grant Amount. There are two contract numbers that are included in the Cooperative Agreement:

1. Cooperative Grant Agreement Rental Assistance Number
2. Cooperative Grant Agreement Administrative Cost Number

Grant Amount

The Total Grant Amount is the sum total of funds available to the Grantee and comprises two types of funds:

1. Rental Assistance
2. Administrative Costs

Administrative Fee Payment Method

Section XIII of the Cooperative Agreement includes the requirement that the Grantee must use eLOCCS to obtain a disbursement of administrative funds. This section also summarizes steps the Grantee must take that relate to eLOCCS, lists federal regulations that relate to administrative fees and defines the period of availability of funds.

Secure Systems

There are several subsystems within HUD's Secure Systems that are needed to operate the program. To complete Administrative Draws, the Grantee will need access to eLOCCS. Before a Grantee can access eLOCCS, they must first obtain access to Secure Systems.

The Section PRA 811 Grantee Setup Guide to Secure Systems Access and the Grantee Set-up Guide Webinar provide an excellent in-depth summary of the steps needed to gain access to Secure Systems.

Secure Systems Access Steps

1. Register Grantee's organization as a business partner with HUD though the APPS homepage.

    Note: If the Grantee already has an address of record, a message will be displayed showing that the organization is already registered.

2. The Grantee must assign at least one Secure Systems Coordinator. Coordinator and User accounts can be set up by obtaining a Secure Systems User ID and password.

Note: If registering as a Secure Systems Coordinator, a User ID will be assigned and the Grantee's CEO or top executive will receive a physical letter in the mail.

Note: Notify your CEO to be on the lookout for a nondescript envelope that will be arriving from HUD.

Important: To prevent your Secure Systems ID from being deactivated, you must log in to Secure Systems every 90 days. Contact the Secure Systems REAC Technical Assistance at 1 (888) 245-4860 on status.

Best Practices

Designate at least two Secure Systems Coordinators in the organization so that more than one person can maintain business relationships and manage the user roles.

eLOCCS

Grantees draw PRA and Admin funds through the electronic Line of Credit Control System (eLOCCS), the primary grant and subsidy disbursement system that handles disbursement and cash management for the majority of HUD grant programs.

eLOCCS Access Steps

1. Once your eLOCCS Approving Official has retrieved your Secure Systems ID, the eLOCCS Approval Official should assign you the "QRY" and "ADM" roles.
2. Using your Secure Systems ID, complete the eLOCCS Access Authorization Form (HUD-27054E) and ensure that all necessary fields are filled.
3. Send the scanned document via secured email to the HUD Program Officer at 811PRAFunding@hud.gov.

   Note:
   - Submit a scanned version of HUD-27054E, taking care to ensure the form was signed by hand and notarized.
   - It is important to fill out the form completely, taking care to indicate which program area authorization (Query or Drawdown) each user will have and ensure boxes 11a and 11b are completed.

- Email 811PRAFunding@hud.gov to obtain the current HUD Program Office Point of Contact's information to complete Section 8 of Form HUD-27054E and to obtain the encryption pass-word to use when you send your secured email.

Establishing a Grant Account

To establish a grant account, send the following documents to the HUD Program Officer at 811PRAFunding@hud.gov:

- Completed Direct Deposit Sign-Up Form (SF-1199A) designating the appropriate banking institution and account number where 811 PRA Administration Cost reimbursement funds will be wired.
- Completed and signed Form HUD-50080 generated in eLOCCS.
- Copy of a voided check to confirm account and bank information.
- A SAM.gov screen print showing an active Unique Entity Identifier (UEI) number.

Upon receipt of these documents, HUD staff will make administrative funds available in eLOCCS.

Best Practices

- Set up the direct deposit when the program is just getting started. Setting up the accounts closer to when the Cooperative Agreement is signed instead of when a Grantee is getting ready to sign Rental Assistance Contracts will allow for funding to be disbursed more quickly once the funds are needed.

- When setting up the bank accounts for direct deposit, a Grantee may choose to set up one account for Administrative Funds and one account for Project Rental Assistance funds. Separating the accounts could make for easier accounting.

Important: In the event that the Grantee staff member responsible for eLOCCS draws leaves the organization, they must work with their Approving Official to assign a new staff member who can have Drawdown access. To prevent your eLOCCS access from being deactivated, you must log in to eLOCCS every 90 days. If you are suspended, answer your security questions to be unsuspended. If you have a question about your user ID for Secure Systems, contact your HUD program officer.

Administrative Draw Process

1. Submit a voucher through eLOCCS (see the eLOCCS User Guide for instructions).
2. Email a request for voucher approval to the HUD Program Officer at 811PRAFunding@hud.gov.
3. In order to be processed and paid, voucher approval emails *must include*:
   - ✓ An itemized list of costs being charged to the grant
   - ✓ Supporting documentation providing proof of eligible administrative costs (e.g. accounting records, salary or payroll records, etc.)

Important: Administrative funds must be drawn on a monthly or quarterly basis. No other frequency is permitted.

Contact the HUD Program Office Point of Contact at 811PRAFunding@hud.gov for more information.

Resource Guide

- Section PRA 811 Grantee Setup Guide to Secure Systems Access
- Grantee Set-up Guide Webinar
- eLOCCS Registration Guide
- eLOCCS Getting Started Guide
- eLOCCS Approving Official Recertification Guide
- 90 Day Suspension Removal for eLOCCS Approving Official