

DRGR Fact Sheet: Setting up Revolving Loan Funds and Program Income Accounts

Starting in November 2011, DRGR Release 7.3 will allow grantees to establish accounts to handle revolving loan funds (RLF) and program income (PI) accounts. This will allow grantees to identify which activities fall under a RLF or PI account. A state grantee may outline the use of PI or RLF in the agreements with local governments. Similarly, entitlement grantees may use subrecipient agreements to establish requirements for RLF and PI accounts. Starting with Release 7.3, DRGR will require that PI and RLF funds that are available within an RLF or PI account are used before grant funds. Receipts recorded on activities that are not in an established RLF or PI account will affect grant funds draws for all other activities outside of RLF or PI accounts, so it is important to set these up as soon as possible.

Action Plan Module

In the past, DRGR has required grantees to adjust activity budgets and obligations when PI being used instead of program (grant) funds. Activity budgets and obligations were specific to grant funds only. Starting in Release 7.3, activity budgets will include both grant funds and estimated program income, but grantees will not have to identify the amount of each at the activity level. Instead, grantees will estimate program income at the GRANT LEVEL. This will increase the total amount available for activity budgeting and, in turn, obligations.

Admin	Action Plans	Drawdown	QPR	Reports
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Action Plans

Edit Action Plan [Help?](#)

Grant Number:
[B-08-DN-51-0001](#)

- [Funding Sources](#)
- [Areas of Greatest Need](#)
- [Distribution and and Uses of Funds](#)
- [Definitions and Descriptions](#)
- [Low Income Targeting](#)
- [Acquisition and Relocation](#)
- [Public Comment](#)

Grant Amount	\$ 5,000,000.00
Estimated Program Income	\$ <input type="text" value="500,000.00"/>
Total Budget	\$ 5,500,000.00

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Note: Click Activity Number to Edit.

Grantee Activity Number	Activity Type	Total Budget, Progr
08-NSP-01 - Loudoun Co. - Acquisition	Acquisition - general	\$1,854,074.42
08-NSP-01 - Loudoun Co. - Administration	Administration	\$97,850.00
08-NSP-01 - Loudoun Co. - HSG Rehab	Rehabilitation/reconstruction of residential structures	\$46,000.00

In the DRGR Action Plan module, RLFS are set up as PROJECTS. Activities can be assigned to a project in the EDIT ACTIVITY- PAGE ONE screen or in the new ASSIGN ACTIVITIES TO PROJECT page on the EDIT PROJECT screen. Program Income Accounts are set up in a similar way. Each RLF can only have one activity type. For example, a RLF for economic development could provide loans to businesses and new business loans will be provided through loan repayments. PI accounts, on the other hand, could record program income from one activity type such as the sale of properties being acquired and repaired and use it to fund other types of activities, based on what is eligible under the appropriation.

New RLFS can be set up using the ADD PROJECT link in the left navigation bar. If an existing project will be designated as an RLF, this can be done using the SEARCH/EDIT PROJECT link.

In the same way, grantees can use the ADD PROGRAM INCOME ACCOUNT link or the SEARCH/EDIT PROGRAM INCOME ACCOUNT link.

Starting in Release 7.3, project budgets will also include both grant funds and estimated program income. Grantees will not have to identify how much of funds come from each of these sources.

Grantees can now designate a project as a RLF using the checkbox beside the project budget.

Although grantee can still assign activities to a project using the EDIT ACTIVITY page, a button to Select and View Activities is now available on the Add/Edit Project screens.

This will allow grantees to assign multiple activities to a project at one time, but will be dependent on availability of funds.

Project

Edit Project

Financial Data	
Grant Amount:	\$6,000,000.00
Grant Returned Amount:	\$0.00
Total Project Budget Amount:	\$555,663.00
Available for Project Budget:	\$0.00
Total Amount Budgeted to Activities in this Project:	\$555,663.00

* Grant #:

* Project #:

* Project Title:

* Description:

* Project Budget Amount:

Revolving Loan Fund

* Project Status:

Name of the Organization Carrying out Project: Organization Category:

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Admin | Action Plans | Drawdown | QPR

Project

Select Activities

Grant #: B-08-DN-51-0001
Project #: 002
Project Title: Housing Rehabilitation

Responsible Organization	Activity Type	Grantee Activity #	Title	Select to Remove	Adjust Project Budgets
Northern Shenandoah Valley PDC	Rehabilitation/reconstruction of residential structures	08-NSP-04 - NSVRC - HSG Rehab	Housing Rehab	<input type="checkbox"/>	<input type="checkbox"/>
Virginia Habitat for Humanity	Rehabilitation/reconstruction of residential structures	08-NSP-15 - Virginia Habitat - HSG Rehab	Housing Rehab	<input type="checkbox"/>	<input type="checkbox"/>
City of Portsmouth	Rehabilitation/reconstruction of residential structures	08-NSP-06 - Portsmouth - HSG Rehab	Housing Rehab	<input type="checkbox"/>	<input type="checkbox"/>
Fairfax County	Rehabilitation/reconstruction of residential structures	08-NSP-13 - Fairfax Co. - HSG Rehab	Housing Rehab	<input type="checkbox"/>	<input type="checkbox"/>
Franklin City	Rehabilitation/reconstruction of residential structures	08-NSP-21 - Franklin - HSG Rehab	Housing Rehab	<input type="checkbox"/>	<input type="checkbox"/>

Search Criteria

Grant #:

Grantee Activity Number:

Activity Title:

Activity Type:

Responsible Organization:

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Grantees can view the existing activities, remove activities, and adjust project budgets, as needed.

Depending on the availability of funds, the ADJUST PROJECT BUDGET checkbox reduces the project budget the activity has been taken from and increases the one it has been assigned to by the amount of the activity budget.

If funds are not available to adjust project, DRGR will return an error message.

Grantees add or edit Program Income Accounts. The screen allows users to assign responsible organizations and then select all activities, then select specific activity types, or specific activities. Alternatively, grantees can select all activities.

Any activity that is not assigned to a RLF or PI account will stay in a general pool. Any PI receipt recorded in activities under the general pool will require that draws under any activity under the general pool use available PI funds first.

Receipt
Edit Program Income Account
 Grant Number: B-11-DN-22-0001

Program Income Account # Program Income Account Title:

Receipt Fund Type: Program Income

Available Responsible Organizations:
 State of Louisiana

Selected Responsible Organizations:
 City of New Orleans - NCP

Available Activity Types:
 Homeowner Assistance to low and moderate income Administration

Selected Activity Types:
 Rehabilitation/reconstruction of Residential structures

Available Activities:

Selected Activities:
 25% set aside 80% AMI & Below

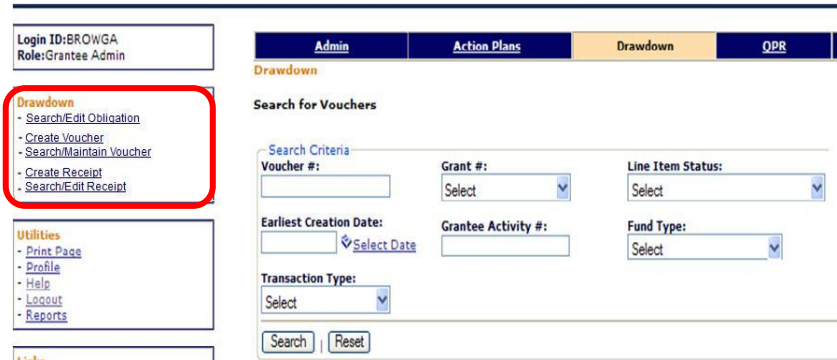
Drawdown Module

Adding RLFs and PI accounts in DRGR means that DRGR will calculate and automatically calculate the amount of grant funds based on receipts and obligations. In Release 7.3, budgeted and obligated include both program (grant) funds and program income, but grantees don't have to break funds out at those levels. Based on the new screens:

- 1) PI available for the PI Account = Receipts – PI Draws \$140,000
- 2) Total Drawn for Activity = PF Drawn + PI Drawn \$165,000
- 3) Total Available for Activity = Obligated – Total Drawn \$610,000
- 4) PF available for Activity = TOTAL Available – PI Available \$470,000

	Program Income – PI Account Level	Program Funds- Activity Level	Program Income- Activity Level	All Funds – Activity Level
A- Budgeted	---	---	---	\$ 5,800,000
B- Obligated	---	---	---	\$ 2,500,000
C- Receipts	\$ 350,000	---	\$ 45,000	---
D- Drawn	\$ 210,000	\$ 1,750,000	\$ 120,000	\$1,890,000
E- Available	\$ 140,000	\$ 470,000	\$ 165,000	\$ 610,000

Grants will add and edit receipts in the DRAWDOWN module instead of summarizing them in the QPR. Links to do this are available in the left navigation frame of the module. Program Income recorded before Release 7.3 will now show as receipts with the end date of the QPR they were recorded under.

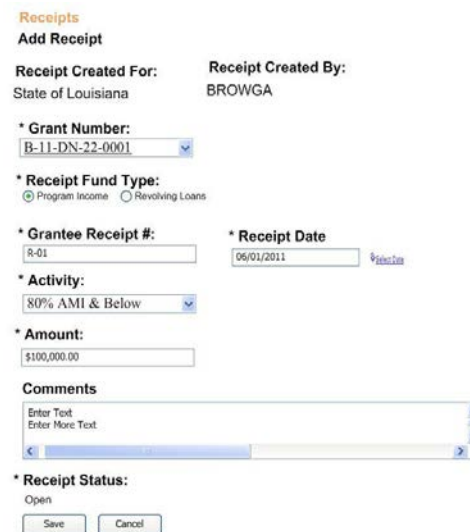


Since activity budgets and obligations include both program (grant) funds and program income, these amounts are now detailed on the Add/Edit Obligation page. As before, grantees can increase obligations up to the amount budgeted and down to the total amount drawn.



Grantees can add or edit receipts for each grant and activity. When a grantee identifies whether the receipt is program income or a revolving loan fund, the list of activities under that type will display for choice.

Only users with the rights to create or approve vouchers can record a receipt. Grantees also have the option of entering comments for the receipt. Unlike drawdowns, however, receipts do not require an approver.



QPR Plan Module

QPRs include summary information about the financial progress of grants, but they also include financial and performance summaries for individual activities.

Changes in the QPR for Release 7.0 include the fact that budget changes made during the quarter will show in the QPR. The amount of the increase or decrease will show on the left column and the final amount at the end of the quarter will show on the right.

	Jan 1 thru Mar 31, 2012	To Date
Total Budget	N/A	12,538,793.5
Total Obligated	2,500,000	2,500,000
Total Funds Drawdown	0	0
Program Funds Drawdown	0	0
Program Income Drawdown	0	0
Program Income Received	100,000	100,000
Total Funds Expended	0	0
City of New Orleans - NSP	0	0
Match Contributed	0	0

PI Transfers to Regular CDBG

Grantees under DR appropriations such as Sandy that allow transfer of PI to regular CDBG should set up a separate activity to record the PI being transferred and also set up a PI account just for this activity so it will not affect other draws in DRGR. Grantees would not record the PI received as receipts on the other activities. Grantees that will make such PI transfers should record this PI received as a receipt under the activity at least once per quarter so that the the PI received will show in the QPR.

Add Program Income Account

Grant Number: B-13-05-36-0001

*Program Income Account Name: Small Business PITransfer

Available Responsible Organizations: New York State

Selected Responsible Organizations: HTFC

ONLY ASSIGN PI TRANSFER ACTIVITY TO PI ACCOUNT

Available Activities: NY01Hsg-R1A, NY01Hsg-R1B, NY02B0H-R1A, NY02B0H-R1B, NY04SB-R1A, NY04SB-R1B, NY04SB-R1C, NY04SB-R1D, NY05TMC-R1A, NY05TMC-R1B

Selected Activities: NY04SB-PI

Grantees can use the QPR progress narrative for the activities to describe more details about the source and amount of PI generated for specific activities so that this information is shown but not affect draws. Then grantees would also create PI receipts and vouchers in IDIS so that HUD can review the eligibility of activities under the regular CDBG program

Project #	Project Title	Grantee Activity #	Activity Title
NY04SBG-R1	D. Small Business Program	NY04SB-R1A	Small Business Jobs Rnd. 1 LMI
		NY04SB-R1B	Small Business Jobs Rnd. 1 UN
		NY04SB-R1C	Small Business Repair Rnd. 1 LMI
		NY04SB-R1D	Small Business Repair Rnd. 1 UN
		NY04SB-PI	Small Business Program PI Transfer to Regular CDBG

ADD NEW ACTIVITY FOR PI TRANSFER