NSP Expenditures, DRGR and QPRs Webinar Transcript

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Operator: Please stand by we are about to begin. Good day and welcome to the NSP Expenditures conference call. Today's conference is being recorded. At this time I would like to turn the conference over to Janine Cuneo. Please go ahead ma'am.

Janine Cuneo: Thanks so much and welcome everyone. Today we'll be having a Webinar on the NSP expenditures, DRGR and QPRs. We're going to have a special focus today so that folks that are thinking about closeout, that are looking ahead, on how they're best and accurately talking through their expenditures in DRGR and via QPRs.

That this gives the best information for you guys to be able to successfully demonstrate your story and accurately tell the expenditures beneficiary information et cetera in DRGR so that we can all celebrate your successes.

The presenters today with me are Ryan Flanery and Jim Yerdon from HUD. Many of you that have been working on DRGR for the last year so, I'm sure are pretty familiar with both of those names and or have probably received assistance from them. Vincent Grady, can you let people know how they can ask questions today during the webinar?

Vincent Grady: Sure, so if you're joining us over the phone, you have two options. You can hit star 1 and that will put you into the queue, and you can ask your question over the phone. If you are in the queue and your question has already been asked you can hit star 2 to remove yourself.

You can also ask your question by typing it in over the Question and Answers box which is on the toolbar of Live Meeting. And if you're joining us VOIP, your line is silent so you can just ask your question through the Q and A box in Live Meeting.

Janine Cuneo: Thanks Vinny. And we'll be going through the entire presentation and then taking questions and answers afterwards. But please don't hesitate during the presentation if you have a question go ahead and type that in and we'll go ahead and take those in the order that we received them at the end of the presentation.

Before we jump in too much, I just wanted to stop and pause and make sure everyone has seen the NSP closeout guidance that has come out from HUD. You want to use it, as it relates to DRGR, within 90 calendar days of the date it is determined that the criteria for closeout has been met, the grantee shall submit to HUD the final QPR, quarterly report via the system.

HUD will cancel any unused portion of the awarded grant as shown in DRGR and the signed grant closeout agreement. And minimum annual reporting requirements will continue initially, they are going to be continuing DRGR and later joined to the grantee CDBG reporting in IDIS. And further information will be coming out on that when that changeover to IDIS will happen.

Please notice we give you guys the link here on where it is. It's both on the NSP Resource Exchange as well as the brand new OneCPD Resource Exchange. So we've given you that OneCPD Resource Exchange link. So please feel free if you have not looked at that yet, it has more than just DRGR in there, but it does highlight some of what you need to do via DRGR.

We're going to be focusing on five major items today, and Ryan and Jim will be going through the majority of these. And first we'll be checking and correcting accomplishments or performance measures.

We'll be talking about expenditures in the QPR. We'll be going over on a higher level some of the programming that can then drawdown questions that have been coming out. We'll be talking about the "other funding sources", that needs to be in DRGR for all of you guys to make sure that you are accurately reporting on your other funding sources.

And then lastly, we've been getting some questions about how to correct for a LH25 and we wanted to just go over that again. It's definitely been part of previous Webinars but felt it was probably a good time to refresh our memory from that. So let me go ahead and pass this off to my colleagues Ryan and Jim, who's going to dive into the first item of accomplishments in the QPR.

Ryan Flanery: Thanks Janine, and good afternoon everyone. Before we get into the accomplishments portion, I just wanted to go over two issues that we're seeing with DRGR system at the moment that could be related to or cause an issue with reporting accomplishments or entering expenditures and doing draws.

The first of those two is the page load time issue. We've see a degradation across the system of page load times and performance of the system. And I know we've gotten a lot of e-mails, a lot of concerned calls and so on, as far as people being unable to do certain things.

Mainly and the most pressing for us is obviously making - being able to do draws. We - our developers are currently working on a fix for this. But it doesn't look like it will be done until probably mid-February. So, we have really two work-arounds, the first being not ideal, but it is basically using the system at non-peak times.

So either in the morning, earlier in the morning or in the afternoon, evening, late afternoon to evening times. We've seen some folks have a better and easier time navigating the system during those times.

They're actually able to progress, still with slower page load times. The other, the second work-around would be if it's an extremely urgent need to do a draw, for example you have a closing and you have to, you know, you need money for it, we may be able to submit these through a data correction directly to our contractors.

If you do want to, you know, take that route, we have yet to do it. If somebody wants to be a guinea pig, please let us know and you would send an e-mail to drgr_help@hud.gov, just letting us know that it's an urgent issue and that you'd like to submit data correction.

We'll try our best to work with you and make that happen. The second issue is really the financial drift and it's in QPRs and in reports - in financial reports, we call it financial drift. And basically what it is, it's just, the system is showing incorrect numbers in the cumulative sections of QPR and the financial reports.

So, if you do see that, please send that to - an issue with screen shots with whatever supporting information that you have to, it would be OneCPD AAQ system, and then that way we can track and we can submit those to fix them as a data correction. So those are the two.

Vincent Grady: Ryan?

Ryan Flanery: Yes.

Vincent Grady:: Sorry, we're getting a lot, a lot of people saying that you have a terrible echo coming in.

Ryan Flannery: Oh really?

Vincent Grady:: And they can't understand you.

Ryan Flanery: Is everybody hearing this? Or how am I sounding to you guys?

Vincent Grady:: You sound fine to me yes.

Ryan Flanery: Okay, I'm not sure what I can do any differently. I'll try to maybe speak a little bit softer and see if that helps. So what we want to - what we're going to discuss today, as far as my session is concerned is accomplishments, recording accomplishments in the system. And hopefully folks out there had an opportunity to take a look at the recent guidance piece that was put out.

This was in October, last October actually so it's been out for a little while now. And what it does is it walks you through the steps of , you know, setting up an action plan properly, reporting on accomplishments in the QPR, and it takes you, you know, step-by-step through each one of these processes.

It also highlights some of the common missteps, which I find to be really helpful. So, you know, if you have an issue where in the past you've made a mistake and need to correct that mistake, it'll show you A, how to avoid that in the first place, and B how to fix it.

It also shows some supplementary guidance on making prior period corrections, and it has an example of how to do that. And then some - also some supplementary guidance on entering other funds in the system, and in particularly important for NSP2 grantees, how to enter match contributions. Vinny, am I - are you getting anymore feedback from folks?

Vincent Grady: Yes, what I did, I had to mute your computer line. So you should be fine now.

Ryan Flanery: Got it, okay. Thank you. And sorry about that. Okay, so when you're reporting accomplishments in the system, there are two ways, two types of methods to reporting accomplishments.

Hunter Kurtz: Ryan?

Ryan Flanery: Yes?

Hunter Kurtz: Could you just go back and just touch on the two things, ((inaudible)) and slow down because a lot of people couldn't hear you? Because I think those are important points that everyone should hear.

Ryan Flanery: Okay, all right let's go back to that real quick. I spoke about two issues that we're seeing in the system. One is related to the slow page load times which is causing a lot of issues out there, and we're asking that, you know, either the two work-arounds would be, you know, the first work around would be using the system at non-peak hours, either in the morning or in the evening when there aren't a lot of other folks on there.

Or if it's extremely urgent and you need to make a draw you have to, you know, make a payment immediately, we may be able to work with you all by submitting a data correction. And we have a template - a spreadsheet template that we can share with you to fill out and then we can submit that directly to the contractors to basically force it on their end.

So you're not having to deal with the page load issues. That's really a last ditch, you know, last opportunity if all else has failed, and you really need something done. We have limited resources to do that, so it really is just in those situations where it's extremely, extremely urgent.

The second issue that we have is related to financial drift, and financial drift in the, specifically in the QPRs and the financial reports. And what we're seeing are incorrect cumulative totals for financial data again in the QPRs and in the financial reports. And the way that we're dealing with that is through data corrections.

So if you do see numbers that don't match what they should be based on your systems and your internal accounting, let us know, take screen shots, provide supporting information and send that to - through the OneCPD AAQ system, and we can track, we can submit that if it is in fact one of those issues, a financial drift issue, we can submit that to the contractors for a data correction so we can get it fixed on our end.

The first issue would go to - I'm sorry I didn't mention this again. The first issue if it's a slow page load times and, you know, want to let us know A, or you want to try to work on a data correction with us, please send that to drgr_help@hud.gov.

All right? And we'll talk a little bit more if you have questions, we can talk about that during the Q and A session. So, you know, whenever the accomplishments reporting piece, hopefully people will take a look at that, if they haven't already. We're just going to move on to sort of a general discussion about, you know, area benefit versus rec benefit and really what that means, as far as what that means for reporting, in the system.

So with area benefit, we've seen that it's not very prevalent, most often I've seen it related to, you know, demolition activities if you're meeting a national objective with an area benefit. What we're focusing on for this particular discussion is the direct benefit.

And direct benefit is much more widely used. It's for, you know used for housing related activities. So if you're doing, you know, rehab construction, home ownership assistance, you will be using the direct benefit method for meeting a national objective and showing that in the system. And you'll be reporting on that.

The key point here is what depending on whether you select Area or Direct Benefit, that's going to affect how you enter data into the system, either in the action plan or the QPR. Vinny go to the next slide. Thanks.

Okay, so this is just a simple chart showing, you know, the differences. And basically, you know, for area benefits, you have two ways that you can show you're meeting the national objective, either through the census screens, the census method, or through the survey method.

Key point here is that you, ((inaudible)) DRGR will automatically pull the calculations based on the data - that areas that you - the geographic areas that you've selected. I'll do the calculation on the percent, low-mod middle income, it'll pull it into the QPRs.

For direct benefit, however, you are going to be both entering your projections in the action plan which you've done already. And then you're going to be reporting on the actual accomplishments in the QPR.

Now the reason we're focusing in on this, is because that's where some of the issues tend to arise, when you're reporting on those actuals in QPR. And again, you're only reporting on those actuals - the actual accomplishments when a national objective is met. So if a household, if a family moves into - once a family moves into a house for example, whether it's a rehabbed house, or yes, that's typically the time that you would report on that accomplishment in the QPR.

So, next screen. Okay, so what DRGR will do is a little bit of math. Once you've entered your accomplishments in the QPR, it's going to say based on the number of households that you've reported, it's going look at both households, it's going to look at the race ethnicity data that's associated with that. And it's going to do some math and it’s going to tell you whether or not those numbers match up.

It will also be looking at the number of housing units and tenure and those are the key data elements that are going to give you trouble if you are going to run into trouble. Unlike, for example, green performance measures, you know, low-flow toilets those types of things.

The main issues that you're going to run into will be related to the households, housing units, and race ethnicity by income level. And as many of you have seen, I know I've worked with a lot of you, you'll get the ominous red error message, if the numbers don't add up, a cumulative sum error message.

And that's telling you that the numbers are not adding up and we need to fix something. And Janine is going to walk us through, well we're going to do a quiz next, and then walk us through an example of how to correct that.

Janine Cuneo: Great, thanks Ryan. So as this is so important to so many people those ominous red error messages, we've been able to connect with many people on helping them walk through those error messages themselves.

And I think the more you get them, the more successful you are at correcting them. And we wanted to show you guys a tool that HUD has put out there, over a year ago now, and give you a live example of that tool and also talk about how you can find some information via DRGR in order to help you correct those error messages yourself.

So Vinny, can we go ahead and activate the tool? So I want everyone to take a moment and we're going to do a little bit of a quiz. Don't worry, you're not going to get graded. But which is the correct method of checking beneficiary information in DRGR?

Is it pull a Microsoft strategy report, click on the View Cumulative Totals link which is part of a QPR, review prior QPRs and we'll get the information from prior submitted QPRs, or is it all of the above? Take a couple of minutes, so people can go ahead and log in and vote.

It looks like we have over half of our attendees voting at this point. And the vast majority right now are choosing the all of the above button. And, kudos this is a great quiz where it is all of the above. But if you put any of the above as well, if you just decided to do pull Microsoft Strategy or view cumulative totals or review prior QPRs, those are not wrong either. So everyone's kind of a winner in this quiz.

Let me tell you guys why. Everyone is different in what they need to look at in order to get the correct beneficiary information. It matters when you may have entered in the information in order to figure out what the system is pulling or calculating for you.

Therefore, I always recommend folks to kind of start in this order, to pull a Microsoft Strategy report. And we're going to talk about in a second which reports are really good for you to do that.

But as we all know at times, sometimes reports are not entirely accurate. They might have some glitches here or there. The click on the View Cumulative Totals link, I'll show you where that is also in a second, is also very good one to talk about, kind of what is happening literally in the system. So if you entered something in the quarter, it's going to show up there.

And then if you review prior QPRs is going to show you and allow you to look at what's happened in the past for what you've entered. So it might not have really information that you put in last week, but it will have stuff that you put in in the past.

So it's a really excellent resource as well. So, I recommend that when you are looking at these error messages, that you choose one of these three options in the system. But if you're ever struggling through that and you're using one of these options, and it's getting a little glitchy on you one might say, but you think you've solved the problem and it's still giving you error message, I highly recommend choosing one of these other options in order to check your beneficiary information.

I found that quite successful at times. It's all based on when you have entered in the information. And so it's hard for us to tell you exactly which one to use, I recommend trying one, and then if that doesn't work, don't hesitate to try another method of checking your beneficiary information.

Ryan Flanery: Janine, if I could just real quick?

Janine Cuneo: Please.

Ryan Flanery: Janine? Sure, sorry I just wanted to say that I've found well, yes, I mean these are all - they all are effective based on when data was entered. We found that the prior QPR, the most recently approved QPR has been probably the most accurate.

So if you've pulled all these other, you've gone through these steps and you've even gotten to the prior QPR and it's still giving you a hard time, that's when you would probably submit a question into the OneCPD AAQ system, and try to have them sort of walk you through it. All right?

Janine Cuneo: Great point there, thanks Ryan. So let me just talk to you guys through and show you each one of these possible methods for checking your beneficiary information. And then we're going to do a live example of using the actual tool that's online for you to use if you so choose, and how help you get these error messages unstuck on one might say.

So here's an example of checking your performance report. This is a performance report 01 that you may use. And I just wanted to show you guys and many of you are familiar with this, but we have projected - and the report is from the Action Plan and Actual is what you entered in the QPR. So make sure when you're looking at this that you're looking at the Actual column to figure out what you've entered in the past.

Also just wanted to point out here that you'll see not just your beneficiary information like your owner household and your rental household, but you're also going to see different types of performance metrics. For example, the green measures information.

This information only shows up if you actually put some projections here. So make sure you put projections in the Action Plan, therefore it will show up in the measure type for your performance reports.

So that's an example of a Performance Report 01 you can do. I wanted to also pull up Performance Report 06. That information is going to give you your direct beneficiary activity and it will also include - oh as you note here, the FHEO screens or the Fair Housing Equal Opportunity screens which include the race and ethnicities that you need to enter.

So you'll notice here it shows you both female head of household information, but also your household totals for race and ethnicity and then it will also go into information you entered in by race and ethnicity by renter or owner.

So you'll need a combination when you're looking at these reports for both Performance Report 01 and Performance Report 06 if your error messages highlight and indicate that you're having a mismatch with your race/ethnicity data.

To go ahead and check that View Cumulative Totals link that I mentioned before, you'll be looking at the QPR in order to get that information. You'll be looking at - for each activity you'll have a View Cumulative Totals link.

And in that link you'll be able to go ahead and click on that right there and it will pull up for you information on both your accomplishment measures as well as your beneficiary measures and your cumulative race totals. Should give you all the information that you've entered in thus far.

Here's the tool I'm going to show you guys in a live example of. You'll be able to see right here we have a link for you guys to get onto that. That's also on the OneCPD Resource Exchange as well as the NSP Resource Exchange. You're able to access that. And what it basically does is walk you through three steps. We have a step A, a step B, and then a step C.

And step A and B are where you collect information in order to enter into the tool. And then step C automatically calculates for you where there might be a mismatch between the information that you have collected. And that therefore is what you can go ahead and enter into your QPR in order to remove or release those error messages.

Let me walk you through that to give you a little bit more ((inaudible)) examples. So it might look very familiar to you where you get these error messages. Let me just walk through the first error message as an example.

So here it tells you that the cumulative sum of income levels for total households must be equal to the cumulative sum of race/ethnicity for a household's total. Let me just dissect that for one second with you guys.

If you can imagine if we're - if you're a grantee and you're saying your total households for your local income equals ten, you also need to provide the same number of households - like ten households - you need to provide a race/ethnicity for that household as well.

So if, for example, in prior QPRs you said you had ten households - total households for low income yet you only enter in eight household information for race/ethnicity, you're going to get a mismatch and you're going to get this error message. And what it's going to do is it literally stops you from doing more information in the QPR until you rectify that and reconcile this issue.

Therefore, you're going to have to figure out where's that mismatch. Here I gave you an example of ten in the low-income total households, but you only have eight in the race/ethnicity. So you're going to have to go back through your own data collection and find out what you did in the race/ethnicity in DRGR and then where did you make a misstep and how do we need to rectify that.

Let me go to a live example for you guys and I'm going to literally walk you through this. ((inaudible)) and went into my screen and I'm looking at the Excel document that you can pull up. Vinny, can you verify that this is showing up on the screen at this point?

Vincent Grady: Yes, it looks good. And for those that are looking on the screen, you have scroll bars on the bottom side and the right-hand side of the screen. So if Janine's doing something and you can't see it, you can just scroll down a little bit.

Janine Cuneo: Thanks so much, Vinny. So here's the example of the tool you'll see here on - we have step A and that's where going to be where you're going to total - you're going to identify the totals from your information.

So many of you collect information from your sub-recipients and or you're doing your own program and you've collected your own race/ethnicity and household information. So this is where you're going to look at that information to verify you have it all.

Step B is where you're going to get this information ((inaudible)) identify all the data you've already put in DRGR. As we've talked about before, there's three places you can do that, through their performance reports, through the view cumulative total screen, and through the - looking at prior QPRs.

And lastly, Step C - this is the information that's going to automatically total for you. This information here in Step C, and that's what you're going to enter in the DRGR in order to rectify and reconcile the error messages.

So let me give a live example here of a grantee I was working with a few weeks ago. They had an error message and so we said okay, let's stop and let's go walk through this tool together.

So they told me that in their own information what they had for this one activity, they had already hit the end use for six low-income owners. So you'll notice I put six right here - and two moderate income individuals.

That totals then here, six total, two total, and as we all know if I can do my math correctly, eight and eight for our totals for both owner eight and then total for households that have met this as eight. They had no housing unit error messages. We don't have to worry about that right now.

And then of those eight, they were able to tell me of those owner eight, that they had five that were identified as White and three that identified as Black African-American. So we also want to make sure we put that in our totals. That's the total information we know of as a grantee based on our information we've collected from either our sub-recipients or directly from the beneficiaries.

Second step we're going to do is we're going to ID data already in DRGR. We went ahead and pulled a few cumulative total links and we found out in looking at it that we found real clear mismatch here. What we saw is what we did do very successfully is we did enter that these low-income owner, there were six and there were two for the moderate income.

But we realized we didn't do is we actually didn't put totals in. And so without putting any of the totals, there was a clear mismatch that was going to happen. What we also realized what we did is we made the same error when we were putting race/ethnicity where that we put five White total and three Black African-American. But we also did not put the totals in.

So what this does over here in Step C, it goes ahead and lets me know what I need to do in order to rectify and reconcile the error messages. You'll notice, you'll think, oh, my God. I'm putting six in and two and then eight - this seems a little confusing.

You might also, if the numbers are really off between Step A and Step B, you might get negative numbers here as well. Don't hesitate to go ahead and put those numbers into the system and see what happens. Rarely have I seen that this tool ever gives you wrong information as long as you're putting in the information correctly from Step A and Step B.

So as you notice here in Step C for this exercise, the grantee would need to not put any owner information in for the single. But they'll need to put all the totals in as I've highlighted here as well as the totals in as I've highlighted here.

I want to recommend that everyone - if you're getting really stuck and struggling through it, utilize this tool and don't hesitate for Step B. If you're still utilizing this tool and putting Step C information in, stop for a second, pull another method for collecting your beneficiary data.

For example, I did the view cumulative total links for this. Go ahead and pull a report or as Ryan mentioned, go ahead and use a prior QPR. Make sure you have your accurate data of what you're seeing in DRGR and then try again.

John Laswick: And, Janine, if I could just in real quick. If for some reason I - there might not - it might not be showing all of the possible ethnicity types. I believe one or two are missing then what's an option in DRGR. If that's the case, just feel free to, you know, overwrite one.

It doesn't matter. It's not tied in any way. But just because it's not there doesn't mean, you know, you can't just enter it yourself and just, you know, make it work yourself, if you have one you could replace with that. Just to keep it in mind, so - because I've had - I have heard folks say "Oh, well I don't see and I totally forget what the race, ethnicity is, but I don't see this there, how do I make this work?"

You can just make it work by overwriting it yourself and answering it, you know, just as normal.

Janine Cuneo: Great. So I just went ahead and did that as the example here, just putting xxx as the race, ethnicity here, you can go ahead and just overwrite that and put in the information as you need and you'll get the same calculations for you.

John Laswick: Exactly.

Janine Cuneo: Okay, so I'm going to go ahead and head back to the PowerPoint and pass off to our colleague, Jim, who's going to be talking a bit about the expenditure deadlines.

Jim Yerdon: Good afternoon everybody, as a reminder the NSP1 expenditure deadline, 100% expended within 4 years of when HUD signed your grant agreement. For most communities, it's - actually the first one is February 4th and I think there's one that drifts into April.

But most of you are in February or March. For NSP2, everybody is February 11th, also 100% expended. NSP3, you need to have at least 50% of the allocated funds expended within two years of the date that HUD signed the agreement, and that - for most people that's February and March of this year.

And you have another year to do 100% expenditure. Next slide, or did - John, did you want to comment on that?

John Laswick: No.

Jim Yerdon: Okay, the expenditures include goods and services that you paid for and manually entered in the QPR each quarter or as they incurred if you update more frequently than each quarter. And you'll see the expenditure box down there is at the activity level.

If you're finding that it's closed off and you cannot answer anything, check that the status of the activity is not closed, because once you complete or close the activity, you can no longer enter in this location.

Okay financial report 7B gives you the cumulative totals. However this is the one where occasionally we get some data drift. So compare this report with your records and another one we'll see in a couple slides. If they're off, take screenshots and send them to the OneCPD Ask a Question.

Hopefully they will match. The number of data drifts is - you can count on two hands at this point. Go ahead. This is just a continuation. This is actually a couple slides. On drawing income, it - you have to check on the available amount to understand how the system generated this number, which is the next slide, if we could. Okay, the program...

(Crosstalk)

Jim Yerdon: There we go. Program income available is calculated for revolving loan funds and PI program income accounts across activities.

So any activity associated with the revolving loan fund or the PI account, they're going to - it's going to look at all the PI that's been reported and subtract the amount that's been drawn and come up - and compare it to the obligated amount and come up with what's available.

Program funds available is calculated within the activity based on, again, budgets, draws, and PI availability and PI - if PI is available, that will show first and you won't be able to draw program funds until the program income has been exhausted. Next slide.

Ryan Flanery: And Jim and that only really matters if you have a PI account set up - if you have PI accounts set up right?

Jim Yerdon: That's true.

Ryan Flanery: Mainly, that's - yes.

John Laswick: And for those of you worried about expenditures, just let me remind you that program income is just as good an expenditure as line of credit expenditures, any combination of those sources of funds that adds up to your original grant amount is - counts towards your requirement. So there's nothing wrong with spending program income, it's not hurting you.

Jim Yerdon: And okay, this is checking PI with reports, financial report 05B shows the program income received and disbursed. And this is just program income, whereas 7B that we looked at a few slides ago was cumulative including program funds.

Now you can also break it down, there are other financial reports. There's one in the 02 Series that shows you each - by activity and vouchers for program income and the financial report 03 does the same thing for grant funds. Next slide.

If you need to revise a voucher, you need to initiate it by the draw requester and approve it by the draw approver. We've had several cases where the requester will create it and submit it and for whatever reason, the draw approver never approved it. Well after 90 days, that revision will disappear just like the creation of a voucher or draw down request itself.

And the conditions, both activities need to be funded from the same grant. So you can't move money from NSP1 to NSP3. The destination activity has to have a sufficient balance, both in budget and obligation to have room for the money. And the destination activity has to be - it can't be cancelled and neither activity is blocked.

The total amount of the voucher doesn't change, but the money has been moved. So if you're pulling up a report that shows you the status of vouchers and looking at a revised one, there's no number behind it, there's no dollars behind it. You can't revise it again. You've got to go find where the money was revised to and then revise that one. Next slide.

This is more detailed on revising a voucher and it shows you - the big box in red, okay for this particular voucher was 25,000, but we only want to move 500 from this to something else. I'm sorry 5000.

And you can also select revision reasons and you can put comments in there. That's really useful if something goes wrong or just to have a record of why was the money moved. And it doesn't have to be elaborate. This is not something we typically look at. It would be for your own internal records. Next slide.

Okay, now we get into entering other funding sources NSP and - NSP1 and NSP3 are required to report on other funds. In addition NSP2 has to provide matching funds. The matching funds for NSP2 grantees, they check a box in the action plan. Next slide.

NSP1 and NSP3, the other funds are in the action plan, the downside is you're putting in basically a proposed amount and the only way to record how much you actually get would be in the narratives. So if you proposed that somebody would - had offered to come in with 500,000, in the end they came in with 450 that would be something you would put in the narrative.

In the next slide, okay, if the checkbox for the - in the action plan on the NSP2 funds are checked yes for matching funds, then that opens up this in the QPR where you can actually - this is showing. I'm sorry, the slide is showing the action plan, if you check it yes as matching funds, then it opens up an editing section in the QPR to show progress.

But for NSP1 and NSP3, you're not going to check that box, this is basically the purposed other funding. Next slide. Okay, and this is for NSP2, entering your end-quarter use of matching funds.

This is the editing box that was opened up where you can show match contributed in the box right below the red box. That's an editable box. Next Slide. Okay, correcting for LH25. You know, what happens if you considered it - purpose (it's) LMMI but it turns out you sold the house or rented the house to a family who is LH25.

If you're changing the entire activity then you can just simply switch the status of the activities national objective in the action plan from LMMI to LH25. However, if you've got a whole bunch of houses and you're changing a portion of the activities expenditures, you need to revise the appropriate vouchers to LH25 and also modify the reported proposed and actual performance measures for the two different activities.

Remember that the LH25 credit is based on the national objective of the activity. Next slide. Okay, when you complete the status of the activity it prevents any additional financial transactions for that activity.

And again, and I mentioned that earlier with the program income. You also can't enter program income - or receipt program income if the activity has been completed. Completed activities will continue to appear in the next QPR, usually drop off in subsequent QPRs.

It depends when it was completed and when the proposed completion date entered shows up. Janine, now we turn it back to you.

Janine Cuneo: Thanks so much, Jim. So we've been over today now a lot around the expenditures, closing out data, making sure that everyone feels comfortable with different tools that are out there for you to change any beneficiary and performance measure data that you need to and or that are giving you error messages.

The goal here is to make sure that you guys are well equipped with all information in order to accurately tell your story and really talk through with your colleagues if ((inaudible)) data person to talk through with your colleagues so that everyone is on the same page and ((inaudible)) DRGR. And or if you're a project director or director in NSP that you're able to look at DRGR and accurately review the information in there and provide any help and guidance to data folks so that all information there is correct.

As always we have a few resources for everyone. We have on the current NSP or Neighborhood Stabilization Program Resource Exchange. There is a DRGR Resources Page under Finder Resource. And you'll see quite a bit of information in there from the new performance ledger - or excuse me accomplishment guide for folks.

That helps you again walk through how to do accomplishments and gives you some tips and pointers there. It also has in there past Webinars including this one will be posted in there et cetera.

Some folks have been noticing that there has been a new Web site that has been launched called OneCPD Resource Exchange. That Web site is going to be collecting and being a one-stop shop for all of you grantees out there in order to get the majority of your information from that site as well as hud.gov on information around the CPD grant program.

So at this point in time we've consolidated where there is a one portal for everyone for your Help Desk questions. So you can go ahead under Ask a Question at this time, DRGR is one of the live help desks. So feel free to submit any questions there at the onecpd.info/askaquestion and enter that in and you'll get a response. Hopefully in a couple of days and be able to get you guys back on track.

As always, there also is on the NSP Resource Exchange an ability to request technical assistance if your question is a bit deeper and you really need someone to think through and walk through a question or a problem you're having for a few hours. It's a great resource and a tool for you.

Before we go into answering many of the questions that we see either typing in or calling, Vinny can you remind folks how to ask a question.

Vincent Grady: Sure. So if you're on the phone line you can hit star 1 to ask your question over the phone. If your question has been asked while you're in the queue you can press star 2 to get out of the queue. And also everybody has the ability to ask their question by typing it in into the Q and A box which is on the top toolbar of Live Meeting.

Janine Cuneo: Thanks so much. I'm going to pass it over to you, Vinny to go ahead and moderate the questions for now. Thank you.

Vincent Grady: Okay. So we have a lot of good questions. So the first one is, "If we have not expended 100% of our grant by deadline and have not met an objective, at what point are funds returned to HUD? Is this still at closeout even though it may not happen for a year a so?"

John Laswick: The first thing they need to keep in mind is that after we hit the expenditure deadline there will be a 30 day period at which to sort of reconcile your files and DRGR. So as long as the expenditure took place before the deadline you can still enter it into DRGR and draw down the funds.

Jim Yerdon: Yes, maybe it didn't get the invoice in time or something. I mean you need to have ((inaudible)) the work done. But, you know, there's going to be some slippage there a little bit.

So the field offices will be checking, probably doing a spot check of those who are below the 100% limit. And as far as the fund recapture, I mean we're going to look at each individual situation and it's possible that we would freeze your line of credit or, you know, there's some other things that could be done.

You - the question though said you haven't met a national objective yet. You don't have to meet a national objective by the expenditure deadline. So what you're focused on here is just getting that money spent, getting the projects finished.

You know, we had - any number of tax credit deals out there that we're part of where the NSP funds get spent, you know, by yesterday but the rest of the project isn't finished for another 6 months. And so you're not going to be able to show occupancy on that and show that you're meeting the national objective until sometime down the road.

So those are two different considerations. But, you know, I think, you know, you really ought to be in touch with your field office if you're falling short so that they understand what's going on. And, you know, maybe they could give you some suggestions to improve the situation before the deadline.

Vincent Grady: Okay, the next question is, "We have a multifamily complex acquired and rehabbed with NSP2 funds. All renovations are complete. So far the non-profit developer has only leased four of the 12 units yet all invoices are paid for. Do you have to keep this activity open until all units are leased?"

John Laswick: Well yes, because you're going to have to show accomplishments and you haven't accomplished anything until you've moved people into the housing. So, yes, you'll have to keep that open.

Ryan Flanery: Doesn't it depend on how they're meeting their national objective ((inaudible)) they're doing it CDBG 51% method? Or the home, you know, as a percentage of funds like prorated amount of funds invested?

John Laswick: ((inaudible)).

Ryan Flanery: What's that?

John Laswick: Well it's a good point. I mean, you know, when you reach that is - you know, you have different ways of that reaching that number. As Ryan said, the CDBG way is to meet at least 51% of the units that we have allowed ((inaudible)) accomplishments.

Maybe you put 40% of the funding in so you have four out of the ten units. I guess I was thinking that this - that they don't have any ((inaudible)). Or, you know, you can close it when you reach your goal. But not before.

Ryan Flanery: Right, yes, it doesn't have to be fully leased up depending on how you're reporting and how you're meeting that national objective.

John Laswick: True. Well and in fact we have also defined fully leased as stabilized occupancy which is, you know, 85%, 90%, not ((inaudible)). So it's - ((inaudible)) expect it to be 100% but we do expect it to be damn near.

Vincent Grady: Okay great. So the next question, "I'm hearing from my local CPD office that our QPRs are not displaying direct beneficiary statistics by household type. I erase ethnicity, female, households et cetera. Are the QPRs supposed to show this data?"

Ryan Flanery: Jim? I'm pretty sure they do.

Jim Yerdon: They do. But they show the data when it was - for the QPR - for the quarter was entered.

Ryan Flanery: Right. It'll show just that - the in-quarter data. Are there cumulative numbers for race/ethnicity?

John Laswick: There's a performance report ((inaudible)).

Ryan Flanery: Yes. They could definitely look at the performance report. If it's - you know, I'd have to pull to QPR. I just don't remember off the top of my head. But I know in-quarter they do.

So if you had reported on, you know, accomplishments, folks have moved into a property in that quarter then it would show. I'm just not entirely sure if the race/ethnicity cumulative numbers show or if it's just the number of households and the income levels. So I'd have to check on that.

Vincent Grady: Okay. This asker has another question as well. "In correcting LH25 how would I go back to change expenditures if it was originally reported as a portion of the LMMI activity?"

John Laswick: Again, you're going to find the voucher and the appropriate amount of the voucher and revise that to the LH25 activity. So if you spent $150,000 on a voucher for three different houses, you're going to have your own records that show this one house, a portion of that was - needs to be moved and that would be in your - the narrative of the comment remarks section that we showed you.

Ryan Flanery: And then when you went to correct your expenditures you would go into the activity that you originally, if you had entered them - and this is, we're talking semantics now. I'm assuming that when we say expenditures we mean the actual expenditures that you enter in the open field, you know, the free field at the activity level.

If you're, you know, you've made these changes and you've made these adjustments, these vouchers revisions to reflect the change from one activity to another. You're also going to make an adjustment in your expenditures from one activity to another.

I mean from what we're concerned about, the total expenditures. But you still want it to be accurate. If you moved, you know, $100,000 from one activity to - from an LMMI to an LH25, you want to reduce the $100,000 that you've entered in the original activity and you want to increase it in the LH25 activity.

John Laswick: Correct. And also don't forget to go in and look at the cumulative performance measures if you had already recorded that in LMMI you want to reduce it by the one and move it over to the LH25.

Vincent Grady: Okay. Operator do we have any questions on the phone?

Operator: Yes. We'll hear from Gary Bachman with Pima County.

Gary Bachman: Hello.

Jim Yerdon: Hey, Gary.

Gary Bachman: Hi. The question I have is in a lot of our activities we've expended or we will soon expend all the funds. But it appears there'll be a balance because we've drawn program income through the program income account.

Will that create a difficulty in trying to close that account, you know, in the action plan? And then down the line when we close out the actual grant? Because this looks like there's still be money in the grants category.

John Laswick: Right. Well...

Ryan Flanery: And you're not going to expend?

Gary Bachman: Well we've expended it but it's come out of PI somewhere else through the PI account.

Ryan Flanery: Right. So there'd be a balance of program funds that you could still spend on other things, right?

Gary Bachman: Other things, right. So do we need to move that or?

John Laswick: Yes. Those will be available to you and in fact we won't be able to close out the grant until all the line of credit funds have been expended. So - but, you know, if you've met your 100% requirement you will just keep spending program income and line of credit funds. You know, so ((inaudible)) run out of the - you run out of line of credit.

Gary Bachman: Will we need to move those grant funds around when they're in the activity that's completed?

John Laswick: Yes. You're going to have to (budget) - the obligations in the budgets.

Gary Bachman: Okay.

Ryan Flanery: Right. I mean you just replace - yes, you just replace program funds with program income and it just freed up program income to go - I mean you could use it for that same activity if that activity is done then you would take and use it for something else.

Gary Bachman: Okay. I think I understand.

Ryan Flanery: And, Gary, by the way we're working on that - on the issue, have that - it's over to the contactors just so you know. The data drift issue.

Gary Bachman: Oh, we have that too? I didn't know that. Okay.

Ryan Flanery: Yes, you do.

Gary Bachman: Okay. Thanks, bye.

Ryan Flanery: Sure.

Jim Yerdon: ((inaudible)) data drift, Ryan. Sounds like I'm moving something. ((inaudible)).

Ryan Flanery: ((inaudible)) it's the title of the novel that I'm writing. The Days and Times of DRGR.

John Laswick: It helps you go to sleep at night.

Vincent Grady: Operator, does that do it for phone calls at the moment?

Operator: Yes, sir. There are no further questions.

Vincent Grady: Okay, thanks. We have a bunch more written in. So we'll keep going. "Can you more specifically define what qualifies as eligible expenditures as opposed to a draw down or obligated funds?"

Ryan Flanery: Who wants to take that one?

John Laswick: Well, so an eligible expenditure is just a category of allowable expense. You can acquire property but you can't buy trucks. So, you know, so eligibility is limited in this program to typically acquisition, rehabilitation, demolition, those kinds of things.

Hunter Kurtz: Expenditures are just then how you actually use money to accomplish those eligible activities. And ((inaudible))...

Hunter Kurtz: Versus a drawdown.

Jim Yerdon: Versus a drawdown. Okay, so an expenditure is when you incur the cost, a drawdown is when you pay it. So there is a little bit of distinction there. We talked on Tuesday about how that kind of works to your advantage a little bit because if you have an invoice from a contractor for work that's been performed, that is an expenditure.

However, you them have to draw that money down through your line of credit through DRGR that comes to you the grantee, you pay the contractor. So that might be a few days or a week between those two activities. But that - the expenditure itself is realized when the work is done and the invoice is received.

So if you get that - if you're an NSP2 grantee and your deadline is February 11th you just need to have the invoice and the work done. You will get the rest of it shortly. But, you know, if you get that much by the deadline you have made an expenditure.

Janine Cuneo: Jim this is Janine. I was just going to jump in here. I think for folks that do - everyone can - there's different options you can do for accounting purposes internally within each grantee based on the circulars.

And I think the biggest difference for folks that will see the biggest gap between what one would call an expenditure versus when then they do and then drawdown, are those that use the method where they pay the contractor or (sub-recipient) what have you, out from their general fund and then go into DRGR to recoup those costs.

And that can be quite some time for some folks if for example, they get a bill in and it ((inaudible)) 30 days for their financials. And then it gets paid to the contractor and then there's some processing as well until it gets into DRGR.

So there's some grantees out there that do have a significant time lapse between what one could consider an expenditures (drawn), outlined it versus when it actually gets drawdown in DRGR. And so I just want to articulate that for some folks.

John Laswick: Thanks Janine. Let me break in here with an important announcement. (Jennifer) has just handed me a signed copy of an extension - extended submission deadline for quarterly performance report.

So as Ryan was telling you earlier the data drift and the page download time and all the other problems we're having with DRGR are threatening the accessibility of the system to people who are going to be putting data in. So we will be publishing this but probably tomorrow.

But what it says is that all NSP1 grantees that already reported 100% of expenditures do not have to submit their fourth quarter QPR until March 15th instead of January 30th. All NSP3 grantees that have already reported 50% in expenditures, in other words, met your deadlines are not required to submit the fourth quarter QPR until March 15th.

And all CDBG Disaster Recovery grantees also have the same extension. So what we're trying to do is since we can't get all the changes made in time we're trying to limit the traffic on the system. So hopefully this will remove some of those long wait times. So ((inaudible)).

Ryan Flanery: And John Laswick, one thing that this doesn't cover - I haven't read it. But it doesn't deal with the NSP2 expenditure deadline. Correct?

John Laswick: No.

Ryan Flanery: February 11th?

Male: Their QPRs were due on the 10th.

Male: On the 10th. I'm sorry, yes.

Jim Yerdon: Right. And that's true. That's a valid point to make. This only revolves around QPR deadlines. Not the expenditure deadline.

John Laswick: Expenditure deadlines, right. So this - and it's just last quarters QPR. So what you will be reporting your expenditures into meet the deadline is this quarter. In other words the quarter that started January 1st and runs through March 30th - 31st is that you will going into that QPR to open that up, report expenditures and then save that report because that is what we're going to look at to meet - to see if you've met the 100%.

Jim Yerdon: And, John if I could jump in. We had - I had this question from Tuesdays Webinar and I responded to the person. But everybody should be aware. If you update the current quarters QPR and save the information, when we go in, for example, for NSP2 grantees on February 11th we can capture that data even though you haven't submitted to QPR. As long as you save it.

John Laswick: Right.

Ryan Flanery: And, you know, especially for the NSP2 grantees, those of you who are the phone, if you're having an extremely difficult time working through your QPRs and that's timing out and you're unable to enter expenditures, please let us know. There may be a way, again, to deal with that through a data correction so that we force the numbers in.

And you're still complying and you're still reporting on your expenditures prior to the deadline. But, you know, start talking about it now. Let us know now before it gets to be too late so that we can come up with a way to work with it.

John Laswick: Once again, this extends the QPR fourth quarter 2012 QPR submission deadline. It does not change the expenditure deadlines and it's only for those of you who have already reached your expenditure limit - your expenditure required 100% or 50% in NSP1 and 3.

Ryan Flanery: Yes. The reason I brought it up was because it's February 11th, correct, for NSP2?

John Laswick: Yes.

Ryan Flanery: Is the - okay. But the fix will most likely not be in place by that time. That's why I really wanted to bring it up. And just put it out there that, you know, we could try to ((inaudible)) let us know.

John Laswick: So now let's return you to your regularly scheduled programs.

Vincent Grady: We had a follow-up from one of the previous questions. It was about the QPRs and the direct beneficiary data. He's saying that their QPRs don't display the direct beneficiary data. He was just trying to find out if it was designed to show the beneficiary data, race, ethnicity in the QPRs to begin with?

Jim Yerdon: It depends whether they're - which version of the QPR they're looking at. And I forget which is which. But if you download the PDF versus looking at the online version, one does, one doesn't.

Ryan Flanery: Right. Yes, the edit QPR you'll be able to see that. And so will your rep and the review person in the QPR. There are - I think there are five different views of the QPR, all which show slightly different things.

Jim Yerdon: And if they were really looking for the information they should go to the performance reports anyway.

Vincent Grady: Okay. Thank you. So the next question, "Is it required to report matching funds for NSP2 non-profit grantees? Can you explain which funds are considered matching funds?"

Male: Well the NSP2 applications purpose a certain amount of matching funds. The big item that we excluded...

Male: Leverage funds. ((inaudible)) we refer to it in the NSP2 ((inaudible)).

John Laswick: Right. So these would be other funds that you bring in as a result of your investments. So it might be, you know, additional multifamily loans. I think - did we ((inaudible)). I guess the one that we didn't - the one that we excluded was single family mortgages.

So which would probably be the - kind of the most prevalent source of funds. But - and so you really ought to - I mean non-profits are required to report it. I mean, you know, the ((inaudible)) is making one submission, right.

So I mean if you're the lead non-profit and you pledged leverage funds then you're required to report it. There was another measure that was not leverage funds that was - yes the rubric for - it's been so long, I think demolished home was (unintelligent).

Ryan Flanery: Demolish, the impact that your program would have on the vacancy rates.

Jim Yerdon: Right. So not everybody was required to do that. We expect that these number will differ from what you purposed as the, you know, reality usually does. But you should put in as much as you can. And, yes, all NSP2 applicants that have matching funds or leverage funds should be including those in the QPR.

Vincent Grady: Okay. The next question relates to fedreporting.gov. "How are jurisdictions reporting expenditures in this report if they have expended more than the grant amount? I tried entering an amount over 100% and the report was not accepted until I lowered this amount"

John Laswick: Yes, we're going to find Njeri and see if she can come in and answer that one for us. Let's move on to the question and we'll come back to that one. Okay?

Vincent Grady: "How do you calculate the LH25 percent expenditure requirement? Is it based no total amount expended?"

Jim Yerdon: No. It's the grant amount plus program income received.

Male: Yes, measured in dollars not in units.

Vincent Grady: Okay. "If accomplishments have not been entered for the past two quarters would I go back into those particular quarters to add the accomplishments or would I add them to the current quarter?"

Jim Yerdon: Add them to the current quarter and in the narrative provide the explanation.

John Laswick: And Njeri Santana has joined us. Vinny, could you read the last question again, please, about the Fed reporting?

Vincent Grady: Sure. "Relating to fedreporting.gov, how are jurisdictions reporting expenditures in this report if they have expended more than the grant amount? I tried entering an amount over 100% and the report was not accepted until I lowered the amount".

Njeri Santana: Right. All they can do is report how much they've expended as it relates to what they were granted in their agreement. Anything above that Fed Reporting doesn't accept. So once they've gone - do whatever that was in the grant agreement, that's it. There is no ((inaudible)) program income or anything additional.

Vincent Grady: Okay. Thank you. Next question. "I expect to complete ongoing projects after the expenditure deadline. I also expect program income from the sale of properties after the expenditure deadlines. How will this scenario be handled after the expenditure deadline?

John Laswick: Well assuming that you meet you 100% equipment you really will not notice a change. You know, life will go on pretty much without interruption for those grantees that are in that situation.

And I think that's going to be the majority of them. So, yes - so what will happen is that you will continue to spend money and spend grant money if you have money left in your line of credit and or program income. Once you are - once you have drawn all the of the money in your line of credit and you have established that every project that was funded with any amount of money from your original line of credit has met a national objective, then you'll be ready to close out that grant.

And we're putting together some closeout guidelines. But, you know, that's - we anticipate that that's going to be 12 to 18 or more months past the expenditure deadline for most grantees with sort of dynamic programs, you know, that keep receiving money. You know, so you're kind of always filling units.

Now we will for the purposes of closeout be looking at the original line of credit in terms of meeting a national objective. And then because you probably will be continuing to receive program income even though you - you know, if we expected you to meet a national objective with every dollar of program income we'd probably never be able to close or, you know, it would be six years from now before you could close.

So - but we're going to focus on that original amount. And then meeting a national objective after closeout will be something that you report on through your IDIS or DRGR depending on your status as an entitlement grantee or a non-profit. So - but the bottom line is that you will - you should not experience any interruption or change really at all.

Vincent Grady: The next question deals with QPR deadlines. "Please confirm the deadline for submitting the ((inaudible)) for 2012 QPR for NSP1 and an NSP3 grantees that have not yet reported meeting the expenditure deadline. The problem we are having is getting access in the system long enough to get this information entered now. Is the QPR still due 1/30 if we have not yet gotten 100% of NSP1 and 50% of NSP3 expenditures reported into the system?"

John Laswick: Yes. The extension for the quarterly performance report is only for those NSP1 grantees that are at 100% and NSP3 grantees that are at 50% by the end of the month when that report is due. We're reducing the traffic but we still want to be able to keep track of those of you who aren't over the finishing yet.

Vincent Grady: Okay. Operator, do we have any more people call in with questions.

Operator: There are no phone questions, sir.

Vincent Grady: Okay.

Ryan Flanery: John, quick question.

John Laswick: Yes.

Ryan Flanery: Does that letter apply to (DRSI) grantees or is it only NSP?

John Laswick: CDBG disaster recovery grantees also. ((inaudible)).

Ryan Flanery: Okay. Thanks.

Operator: And we do have a phone question that just came in. You'll hear from Jennifer Constable with State of Maryland.

Jennifer Constable: Hi. Actually calling from the State of Massachusetts. And I just want to follow-up a little bit on the DRGR issue. We've experienced literally debilitating speeds for close to a month now and have been told that the issue being it's identified but has not been resolved.

So I'm just looking for a little bit of guidance. It's particularly in the action plan modules and especially in the drawdown modules. So for example, we have not been able to create vouchers. I think we got one through, like I said in the past month or so.

Hopefully reducing traffic will help. But is that the (bottom line) issue for us or all grantees? Because we are really getting backlogged.

Ryan Flanery: Well, understood. And we share your frustration trust me. The - I think, like I said before if you do try at an off hour you might have more success. If not - actually another thing you might want to look into is trying it from a computer that is off of your local network.

So either from home or from a laptop on, you know, outside of the system. And, you know, making sure you're not on a wireless network. Those are all things that you can do on your own that you could try to work - you know, try to get something to work there.

If not and if you need to make these draws, then like I said let's talk about trying to get - trying to do this either through a data correction or some other way. I think data correction - if you have not been able to draw in a month really and you need to make payments then we need to find a way to get those draws through.

And, you know you can't wait until February - the week of February 15th or whatever it might be when the fix comes around. So, you know, you're - I saw the issue in the help box and I think it's been, you know, going back and forth a bit. But let's talk a little bit more about it and see what we can do. If you want to email...

Jennifer Constable: Okay so how should we move forward?

Ryan Flanery: If you want to email me directly that's fine. It's Ryan.D.Flanery@hud.gov.

Jennifer Constable: Okay. All right, we'll do that because, yes. In all honesty we're not on a wireless network. And we are from seven to seven and it's just - we're not getting anywhere. All right, we'll shoot you an email.

Ryan Flanery: The funniest work around was somebody did a draw from their iPhone about a week ago. And I'm not recommending that but I, you know, it worked for them. Again, you know, we apologize.

You know, I mean it's something that happened after the last release and we've just been - we've been trying to get it resolved as quickly as possible. It's just taking a lot longer than we anticipated. Follow-up with me and we'll work on it. Thanks.

Jennifer Constable: Okay. Thanks.

Operator: And there are no further questions.

Vincent Grady: Okay, thanks. "So we'll keep going with written-in. What about a grantee who submits final requisition and leaves a balance of $1.12? How do you deal with this?"

John Laswick: We have a procedure as part of closeout that if you have a small amount left in your line of credit ((inaudible)) back, cancel that out. But, you know, we will work with you to make sure that we are not taking any more than a tiny amount.

Your - the program income is not subject to cancellation. And so, yes, I mean nobody is ever going to get right to zero. So we will be computing for a time at which you have the lowest imaginable number in your line and at that time we will do the closeout.

Vincent Grady: Okay.

Male: ((inaudible)).

Male: Yes, it is. I mean that's going to happen to pretty much everybody.

Ryan Flanery: Yes. Everybody is going to have a little bit of money left.

Vincent Grady: The next question is, "Can we draw funds from DRGR after 3/15/2013?"

Jim Yerdon: Well, so if that's your deadline and you've met your expenditure requirement and there are funds left in your line then you have no problem. You just keep going. ((inaudible)) part of your expenditure level of 100% or 50% then your line of credit may be blocked for a while or...

Male: ((inaudible)) 30 days.

Jim Yerdon: And, as I understand you have 30 days to reconcile any imbalances there. So I hope that answers the question.

Vincent Grady: Okay. The next question was asking where they can get the correction tool spreadsheet that Janine had. I guess we will (post) that.

Male: ((inaudible)) resource exchange and on the OneCPD Web site.

Janine Cuneo: Also ((inaudible)) when we do - when we send around the transcript, Vinny can we make this as an attachment and or at least a link so that we can let people know where that resource is as well for those that have attended the session.

Vincent Grady: Yes. Okay, the next question "How do you move funds previously drawn from one activity to a different activity on DRGR after the voucher has been approved and funds deposited into the recipients account?"

Jim Yerdon: You revise the voucher. And you initiate that with somebody who's got drawdown requestor rights and it needs to be approved by somebody who's got drawdown approval rights.

Male: So kind of going back and recreating the whole (set) of number then right?

Jim Yerdon: Depending how extensive it is, yes. If you're familiar with IDIS it's a very similar process.

Vincent Grady: Okay, next question. "What it HUD's policy on...

Janine Cuneo: Actually, Vinny can you hear me? Do you mind if I just add one item there. As Jim said, it's quite an easy process in the system ((inaudible)) there's a Slide in here that Jim went through on how to revise a voucher.

So the system is quite easy. I just want to make sure people do understand that you'll need to go ahead and follow your own accounting principles internally though and some of those folks, you might need to make a journal entry to demonstrate that you're moving it if you have your account set up differently et cetera.

So make sure that if you are making a data ((inaudible)) in DRGR with regards to revising vouchers that you make you connect with your financial folks and verify if there's any additional information they may need in order to reconcile that. Again, it's dependent on your own accounting systems. But - although it might be (unintelligent) DRGR you may always want to double check on - what you're reconciling against your financial records.

Jim Yerdon: Thanks, Janine. Good point.

Janine Cuneo: Sorry, Vinny. Didn't mean to cut you off there.

Vincent Grady: No, thank you. So the next question is, "What is HUD's policy on grantees that have not met the NSP3 50% expenditure deadline? Will HUD recapture the balance of the 50% of NSP funds not expended? Or will HUD recapture all remaining NSP funds?"

Jim Yerdon: Well HUD will access each situation as - on an individual basis. But HUD will not recapture 100% of the grant. The most that we would recapture would be up to the 50%. And we will just have to - I mean we have some other options but that's the worst case.

Vincent Grady: Okay. So the next question, "If we previously entered addresses incorrectly in the prior QPR is there any way to edit those addresses and move them to the correct activity in DRGR?"

Ryan Flanery: Not without opening up the previously approved QPR which we are hesitant to do because the Inspector General does not like it. So, you know, if it's a situation where, you know, you're no longer - it's no longer accurate we may be able to work with you on that.

Those types of things, just go ahead and submit something like that to drgr_help@ hud.gov. And then we kind of work on a case by case basis when it comes to that. And it usually has to go through your HUD rep if they, you know, they have to be the ones to ask for that.

Male: Ryan it sounds like you rarely do that?

Ryan Flanery: Not often. I mean - that's where I'm trying to get across is we - you know, the IG doesn't like it so we try not to do it. There are some unique circumstance where we've done it though. So it's not a 100% no.

Vincent Grady: Okay. And the last question that we have in the queue is "If a grantee is $100,000 shy of spending 100% of the award will that amount be recaptured at the 25% set aside expenditure has been met?"

John Laswick: Again, I think we will look at each individual situation and each program year is maybe a little but different. And, you know, look at what happened and what the impact is and, you know, what the rest of the program looks like and make some decisions based on that.

So we're really not in a position to give general answer. And really I don't think you - I mean most general answers would not be good. So I mean at least you have some hope if, you know, you're close but no cigar.

What - we're just going to have to see. I don't know - you know, we don't have an assistant secretary right now. (Yolanda Chavez) assistant secretary who has been most involved with this is still here. You know, so we don't even know exactly who is going to be making these decisions.

But they will be made on an individual basis. So if there is for example, you know, you fell short because you ordered a piece of equipment in a state that was hit by Superstorm Sandy and the factory was under 6 feet of water and it's not your fault. You know, that might be one scenario. You know, if you came up short because you fell asleep last month, you know, maybe that's not so supportable. So...

Vincent Grady: Okay. Operator, are there any other calls - questions over the phone.

Operator: No, there is not. And just a reminder, if you would like to ask a question please press star followed by the digit 1. And if you are on a speakerphone please make sure your mute function is turned off.

John Laswick: I would like to take this opportunity to thank Janine Cuneo for getting off her back for this Webinar. She's been - you might have told from her voice, very sick and we - she was - this was why we had to postpone it until today. And just, you can see it from a week later, she's not all that much better. So Janine thanks for sticking it out. This is - we do not advise grantees to work so hard that they get that sick.

Janine Cuneo: Thanks, John.

Ryan Flanery: And (ill) Janine is leaps and bounds of most other options. So all of us - all of us included.

John Laswick: Right.

Male: Combined.

Male: Yes, combined.

Janine Cuneo: Anything for DRGR.

John Laswick: That's dedication folks. Yes, so I mean we do realize how frustrating this is. And I mean your money is depending on it, your performance is depending on it. So I mean the good news is that you will, you know, you don't have to draw all your funds to ((inaudible)) an expenditure.

But - so make sure that you have all the documentation that you could need to show that you had received the invoice for work performed and by the deadline date. And there will be a period of 30 days for corrections to take place.

So if we slow down traffic on the system a little bit and, Ryan waves his magic wand above the DRGR system and we get some changes in there and that still doesn't make it, you know, if you've got your 100%, you've still got some time to document that.

So we're not going to punish you for something that's beyond your control. But we are also not changing the deadlines expect for the QPR admission deadlines. So ((inaudible)) and calling it at ((inaudible)) midnight, Ryan. Is that - ((inaudible)).

Ryan Flanery: Midnight on your iPhone. On one led and just get to the highest part of the land near you. So...

Janine Cuneo: Actually in all seriousness we also worked with a grantee that we had them use their iPad and it worked as well, very quickly. So I hate to always encourage not someone sitting at their desk making transactions. But ((inaudible)).

Ryan Flanery: This is sabotage by the ghost of Steve Jobs. Apple is taking over everything.

Vincent Grady: We did have one last - oh, go ahead.

Male: I was just saying if they take over submission of the QPRs then everybody would be fine.

Vincent Grady: We did have another question. "We received a lot of program income from the sale of homes. Do we need to complete a substantial amendment to create a new activity to capture and track the 25% set aside?

(Jim Yerdon): Hopefully you've got a LH25 activity already set up. But there's no limit on how many units you can put in there.

Male: Right. So would they have to do it if they'd gone from say rental to home ownership or something? Or is it all one?

Male: We need more information. The question doesn't really help us.

Ryan Flanery: What was the question again, I'm sorry?

Jim Yerdon: ((inaudible)) activity based on PI for LH25. Based on PI now, because funding source doesn't matter for the LH25 or LMMI.

Ryan Flanery: I think the answer is no in - you know, at the activity level program income and program funds are - as far as DRGR is concerned they're basically the same. I mean - like I said, you designate what they are when you draw the funds.

But from a budgetary standpoint and from, you know, setting up an activity there is really no differentiation. I actually worked with a grantee just yesterday who had an LH25 - an LMMI activity and an LH25 activity, program funds and then activities specifically for program income matching activities.

So what they're doing is they're doubling the amount of reporting they're doing. They're also potentially reporting - over reporting by reporting more. You know, you have to report in each activity. You would just combine it all. It would just be one activity.

Male: Well one LMMI and one LH25 activity.

Ryan Flanery: Right. Yes. But the PI is not a reason to break out an activity.

Male: Correct.

Janine Cuneo: The one ((inaudible)) I want to throw out there again is kind of, you'll hear me harp on this a lot, the difference between what's in DRGR versus what you need to do with regards to requirements of NSP and those that, you know, sits on top of the CDBG requirements.

So although this question doesn't ask it specifically it does allude to the fact that sometimes we have grantees that are getting programming come in and therefore increasing their overall budget of NSP dollars. And are choosing to make - choosing to do different project types.

So for example they might have only done rehab home ownership of single-family and now are wanting to do a rehab property of a large multifamily complex and make that rental et cetera. So there may be different things that you're doing in your program type when you're getting new funds because you want to now take on new projects that meet the industry requirements so that may cause a substantial amendment.

So you need to double check the rules and requirements for what causes a substantial amendment as it pertains to actions plans and go by those rules as well. Because if you have not said before for example, if you're not wanting to do demo and you haven't done demo in the past, that's a brand new activity for you that you haven't told the public that you're going to be doing. And you really need to go through that process.

Ryan Flanery: That's a good point Janine. And you can have - in certain situations you can have an activity that's funded solely by program income. You know, that's - at least up front. You know, you've created - you have program income, now you want to do something else or you want to work with another sub-recipient or whatever it might be doing the same type of activity.
That might just funded by program income at least, you know, originally.

So that's - that would be a situation where we have an activity that's solely funded by program income. But again, in the system, it's not differentiating it. And Jim, what's your favorite little piece of guidance that you like to give out?

That DRGR is not an accounting system and trying to use it like one could probably cause more trouble. Yes, it's a reporting system. So, yes, it can cause more trouble - more harm than good sometimes when you try to use it that way.

Vincent Grady: We had another question come in. "So we have a rental project that was funded with NSP1 and NSP3 funds but over different phases. Twenty NSP1 units have been completed and beneficiary data was submitted in previous QPRs. The next phase in under construction. But will we need to add the NSP1 units into the NSP3 QPR because the project has the same address?"

Ryan Flanery: Are the units - I mean this is one that we've always kind of - and Janine I think we've been talking about this for over a year now right. Like how you handle - how do you handle multifamily with multiple funding sources?

And I think - I mean you could potentially do it one of two ways. I think I - the guidance I've heard is you report all of - if they're all going to beat a national objective and be NSP eligible units and the way that you're meeting your national objective is, you know, through especially the CDBG way which 51% would basically mean all of the units would be reported. The whole building is an NSP building, then you would report all the units in both.

And you would tie them together by entering the same exact address. And then when we do our work on the backend we filter out. We'll say - we'll only count those units once. But as far as, you know, over counting I wouldn't be too concerned about that. Do you have a different take on that Janine?

Janine Cuneo: I do just for the exact question that was being asked. I think overall I'm with you on kind of - on that being the what I would call the top guidance there. The question that does talk about a situation where it's actually in different phases.

And I'm reading into the question and who ever asked this question (I may) request that you listen to my answer really carefully because I want to make sure I'm reading into it correctly. But you say there's 20 NSP1 units that have been completed and beneficiary data was submitted in previous QPRs.

And that's - I'm going to call it Phase One just for the sake argument here. And then the next phase, Phase two, you're doing construction. And my assumption here is that you'll need to add - you'll be adding more NSP units to the property. So maybe it's a 40 unit property total.
So in that case you will be able to enter the address in both the NSP1 and the NSP3. And you'll put the 20 units in NSP1 that as you just said had been completed, beneficiary data was submitted. My assumption you did that is because not just that units were completed but you have individuals in those homes in order to get the beneficiary data.

And then the next phase, let's say it's another 20 units as in Phase three you'd also enter the address. And then another 20 units being done there. And again you'll want to make sure you narrate that clearly. I think that's a very specific example here when you might have a property that has a multiphase project and you're doing that in the phases within your - how you set up your budgets in DRGR.

So it's very dependent on how you set your budgets as well as what the phasing looks like in multifamily property. But overall I agree with Ryan on thinking about it on the top line that way. But look into what your project looks like with respect to how if you've done a phasing and what that means and how you budgeted it and then therefore how you're going to report on beneficiaries.

Male: Janine this is...

Ryan Flanery: I'd have to agree with you.

Jim Yerdon: I've got a very strong concern here. If you do it that way, at the backend when we do the filtering out of duplicate addresses we're going to lose the second half, those additional 20 units.

Janine Cuneo: Yes. And that's why I recommend putting into the narrative what you're doing. And the hope here then that you guys would ((inaudible)) on the narrative. I'm not too sure how else then to highlight that.

But as a grantee they're going to want to make sure that they showed those 40 units to you guys. And we're ((inaudible)) that in a way that (deputes) this example. I'm not sure how to correct that on your end expect some type of a narrative review.

Ryan Flanery: There is some limitations in the data and how we, you know, clean it up and it's not going to be perfect. So I think when you have - you're right Janine, when you have a situation like this where it's clearly delineated, you know that these units were paid for by NSP1. And then this next phase of units were clearly paid by NSP3, to report them separately and just only for those units that were funded then that would make sense.

I guess I was thinking again, sort of that higher level. Often times when you're doing multifamily, you know, you're using NSP as ((inaudible)) gap financing. You know, and it - or a subsidy. You know, and it's sort of just blended into the project overall, right.

So in those situations it's really hard to pull out. You might have both sources, both NSP 1 and 3 but it's hard to pull out which units are which.

Jim Yerdon: Here's a potential solution. On the activity title, call one Phase One and call the other Phase Two or whatever is appropriate. Because that way they won't be filtered out even though they have the same address, they're different activity titles.

Ryan Flanery: You know what though Jim when I think about it? I think it doesn't matter. Because we have different activity numbers and that's what we'll use to pull it out.

Jim Yerdon: Okay. Good point.

Vincent Grady: Operator, did we have any more questions over the phone?

Operator: And there are no further questions.

Vincent Grady: Okay. I don't see any additional questions coming in.

John Laswick: I'm starting to get duplication (drift) myself.

Janine Cuneo: Is there any other late breaking news we want to report on, John Laswick. I didn't know if you got any more. It's really exciting to get late, breaking news in a Webinar. So anything else you guys need to report on or any other concerns that are out there with respect to DRGR that you want to make sure grantees know about?

((inaudible)) let them know then. Let's go ahead guys, make sure you look out on the - on your OneCPD mailing list ((inaudible)) that policy (unintelligent) talking about here should be going out, it sounds like soon if this is information coming on ((inaudible)) at this point.

As always we'll make sure that this is uploaded into the ((inaudible)) and the OneCPD Resource Exchange. And we'll make sure that that tool that I used can be accessed and accessible to grantees for use when they're trying to do changes to their beneficiary based on error messages.

Before we get off I want to make one final plug. Recently, also there was the recent guidance and reporting for NSP grantee accomplishments in DRGR. It gives you a step by process. I highly recommend looking at that. The example here for the addresses - the multifamily addresses, we give some detail around that in this document et cetera.

So there's a lot. It's not just how to do performance measure and accomplishment data that I know many of you have been now for months if not years. But also it gives you some quick tips and pointers that I think many of you are encountering off and on.

So I recommend, go ahead and download that document and put it on your laptop or wherever you have it so that you can look up some quick tips as you need them as you go through. Finally, please free to go ahead and take your survey.

We're always interested. HUD looks at these very carefully to see not only what upcoming Webinars you may be interested in but also how we can improve upon the Webinars we've been giving.

Hunter Kurtz: Janine I just wanted ((inaudible)) January 29th we'll have a Q and A session. And we'll have an updated Webinar schedule coming up soon with just another Q and A session. We're going to sort of hold off on subject matter Webinars for a little bit so you guys can keep working away at your expenditures. And we'll pick those back up probably sometime in the spring. But we will be doing a series of NSP sort of just Q and A session just to answer any final questions you might have as we...

John Laswick: Yes. And if you're - you know, honestly I mean if you're brand new to this program, maybe you don't know us. But I mean I think those of you who have been with us for a while know that we really are trying to help your program succeed.

I mean that's what (Yolanda) always says. That's what I always feel. If you're in trouble, please let us know. I mean it's just so much easier to help you or at least, you know, if you're going to miss the deadline and we understand what's going on, it really can only help you.

So I would - I mean I hope nobody is trouble but if anybody is I urge you to get in touch with us and talk it out. And, you know, sometimes it's - you get so far into a problem that you can't really see out of the top of the box. And somebody else might just be able to look at it a different way or suggest a different approach.

And, you know, it doesn't always happen that way but it really can't hurt. So, you know, we really want to make sure everybody makes it and, you know, we're feeling pretty optimistic about one and two. I think everybody's a little nervous about NSP3. So - but, you know, that's - we'll just, you know, do the best you can. Talk to your reps, talk to - you know, call us if you need to. We will do anything we can to help you.

Janine Cuneo: Great. Thanks so much guys. We really appreciate that. And again, as John Laswick said, please raise your hand. It's really - ((inaudible)) supportive environment for folks that are needing support. So please make sure you do that and all the avenues that are available to you, reps, client headquarter, ask a question and request ((inaudible)) as well as utilizing any of the resources out there.

Don't forget under the Resource page in NSP there is a DRGR resource page just for you guys, a brand new one that's set up just for you guys to make sure you have access to all the quick things you need on DRGR. So we're going to go ahead and shut down. But please make sure you fill out your SurveyMonkey and give us input and feedback. We're always interested. Thank you so much.

Male: Good bye everyone.

Operator: And that will conclude today's call. We thank you for your participation.

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