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I. Summary of the LINE OF CREDIT CONTROL SYSTEM (LOCCS)/VOICE RESPONSE SYSTEM (VRS)Payment System

LOCCS is the system HUD uses to disburse and track the payment of grant funds to Grant recipients (i.e. grantees). Grantees request program funds through an automated VRS payment system that is maintained by LOCCS. Grantees use VRS to request funds via a touch-tone telephone. Synthesized text-to-speech dialogue is used to request payment data from the caller.

The VRS requires the caller to enter a LOCCS program Area User ID, password, and a Voice Response grant number to ensure that the caller has authority to request grant funds for his/her particular grant. The requested payment amount is checked against the grant's available balance in LOCCS to ensure that the request does not exceed the grant's authorized funding limit. LOCCS will only allow **one draw per day** on a given grant, unless funds are requested by project or subgrantee.

Once a request/draw is approved, funds are sent from the U.S. Treasury directly to the grantee's bank account, usually within 48 hours from the day the request is made.

II. USING THE VOICE RESPONSE SYSTEM (VRS) PAYMENT SYSTEM

A. Creating the Line of Credit Control System (LOCCS) Account

In order to gain access to LOCCS, you must complete the following forms and mail them to the appropriate address:

- 1. LOCCS Voice Response Access Authorization, Form HUD 27054.** (**Appendix 1** has instructions for completing this form.) Mail this form to the **appropriate program office** for review. The program office will forward the form to:

***U.S. Department of Housing and Urban Development
Office of the Chief Financial Officer, FYM
Attention: LOCCS Security Team
P.O. Box 23774
Washington, DC 20026-3774***

CFO Security cannot process forms that are six months old and over. Forms should be currently dated and forwarded immediately to CFO Security for proper disposition.

- 2. Direct Deposit Sign-up Form (SF- 1199A).** **Appendix 2** has instructions for completing this form. Mail this form to the appropriate **program office** for review. The **program office** will forward the form to the CFO National Accounting Center.

Note: You should maintain copies of these forms for your own records.

Shortly after the OCFO Security Office receives the required form (HUD 27054), you will receive a User ID so that you can access your account in LOCCS.

Only users with valid User IDs and Passwords may access LOCCS/VRS. These users will be authorized to perform Query and/or Project drawdown functions. Likewise, users are only allowed access to those programs, projects, and functions that have been properly requested and approved by the Line of Credit

Control System's Security Officer at HUD Headquarters in Washington, DC.

B. Accessing LOCCS/VRS

1. Access Authorization/Required Documents

The completed forms (i.e. HUD-27054, SF-1199A, and HUD-27053) must be returned to the appropriate **program office** at the address provided by that office.

2. User IDs

The LOCCS Security Officer will notify each authorized individual, who submitted a Form HUD-27054, of his/her User ID via a User ID Authorization Letter (**Appendix 3**) to be opened by the **addressee** only. The letter will state that the user must access LOCCS by a certain date. Although the user will not have to request a drawdown in order to access the LOCCS/VRS system, the user must input his/her authorized password. If the system is not accessed by the date specified in the letter, the user's authorization will be canceled and another original notarized HUD-27054 must be resubmitted.

3. Passwords

The authorized individual will establish an initial password for the User ID. Subsequent passwords must be changed within **60 days** from the last time a password is established. The password change is entered by the authorized user through the VRS system. If the system will not allow password reset LOCCS form HUD-27054 will need to be provided and "password reset" should be checked in block 1. Termination of access due to password expiration will require another resubmission of an original of Form HUD-27054. **This form will not need to be notarized and may be faxed (202- 708- 4350) directly to CFO Security for disposition. A temporary password will be bailed to the user.**

4. Safeguarding User IDs and Passwords

In order to ensure the security of the data in the LOCCS/VRS System, each individual with access to the System must safeguard his/her User ID and password. User IDs and passwords must **NOT** be shared with others. Only **authorized** users should access the System.

A breach of the System's security requirements will result in immediate expiration of a User ID and Password and will require the submission of notarized security procedures provided by the approving official to the CFO Security office. The user will then be required to submit an original LOCCS Voice Response System Access Authorization.

It may be necessary to cancel a User ID because of loss, theft or change in personnel. A User ID/Password may be immediately canceled by **faxing** form HUD 27054 to the *appropriate program office* and the program office will fax the form to the LOCCS Security Officer at (202) 708-4350.

The revised Form HUD-27054 must indicate in Box 1 that the user's access should be terminated. **If the recipient of a User ID finds that the envelope containing his/her User ID has been opened prior to receipt, he/she should immediately notify the LOCCS Security Officer at (202)- 708- 0764 or TOLL FREE 1- 877- 705- 7504.**

New User IDs may be requested by submitting a Form HUD-27054 with the appropriate notarized approval signatures.

5. Troubleshooting

If you have any problems completing the Security Form HUD-27054, or do not receive your User ID or rest Password in a timely manner, please contact the LOCCS Security Officer at (202) 708-0764 or TOLL FREE 1-877-705-7504.

C. Establishing an Grant Account

1. Selecting a Financial Institution

Each Grant recipient/grantee must identify an existing account or establish a bank account in a financial institution to serve as the designated Grant bank account for the receipt and deposit of grant funds requested from the U.S. Treasury. The account may be a separate bank account or a subsidiary account within the grantee's general fund (or other fund). The financial institution must be capable of receiving Automated Clearinghouse (ACH) wire transfer payments. This bank account must be in the grantee's name and allow the grantee to issue checks to all payees (named on the check). Checks drawn against this bank account will allow the Grant Account recipient/grantee to maintain a record of each payment received.

2. Direct Deposit Sign-Up Form

Once the Grant recipient/grantee has secured a financial institution, the grantee must complete and submit a Direct Deposit sign-up Form (SF-1199A) **to the appropriate program office**. This form identifies the name of the financial institution, American Banking Association (ABA) Transit Routing Number and bank account into which grant funds will be deposited. All funds will be wire transferred from the U.S. Treasury directly into the grantee's bank account. A copy of this form is enclosed, and **Appendix 2** has instructions for completing this form.

After the grantee has completed Sections 1 and 2 and the grantee's financial institution has completed Section 3, return the form AND A BLANK CHECK marked CANCELED or VOID to the, CFO National Accounting Center (see A2 for address).

PLEASE NOTE that failure to include the canceled check will delay the receipt of funds. Any change in the ABA Transit Routing Number or the account number will require submission of a new signed and dated SF-1199A.

3. Voice Response System (VRS) Number

Once the Grant recipient/grantee has returned the signed Grant Agreement, the HUD-27054 LOCCS/VRS Access Authorization Form and SF 1199A Direct Deposit sign-up Form, the grantee will receive a letter containing the organization's computer-generated VRS Number (**Appendix 4**).

Grant numbers are alpha numeric, making it difficult to specify them over a touch-tone phone. To simplify the process, LOCCS automatically assigns a unique all-numeric, 10-digit number to each grant.

D. Preparing the Voucher

The LOCCS/(VRS) Voice Response Request Voucher for Grant Payment (HUD-27053) or the BLI Voucher forms are used for Grant VRS payments. The grantee should contact their HUD Program/Field Office staff for a supply of these forms. Grantees should make copies of these vouchers as needed. A copy of this form is enclosed, and **Appendix 5** has instructions for completing this form.) These instructions offer general processing rules and are not applicable in all cases. The grantee should contact their HUD Program/Field Office staff for information and processing rules which are unique to their given Program Area

NOTE: The Grant recipient/grantee must keep the original voucher.

E. Drawing Down Funds through VRS

1. VRS Equipment

The LOCCS/VRS phone number is TOLL FREE 1-877-705-7505.

Hours of operation Monday through Friday are 8:00 a.m. to 7:00 p.m. Eastern Time.

After the initial greeting, a menu selection is given. LOCCS is selection number 2.

2. ID and Password

The caller must have a properly completed voucher in hand as a reference when making the call. LOCCS will first ask for the caller's User ID and Password to verify that the caller is authorized to draw down funds. Once LOCCS validates the User ID and Password, it will inform you that you are an authorized user. Then, you will be asked to press **1** for ***Voucher Entry*** or press **2** for ***Query Selection***.

3. Voucher Number

The Voucher Number has two parts.

First Part - Three-digit Program Area Number

LOCCS/VRS will ask the caller for the Program Area Number. The caller enters the three-digit Program Area Number from Block 1 of the HUD -27053.

Second Part- Six-digit system generated voucher number suffix

LOCCS/VRS will give the caller the remaining 6 digits of the voucher number. The caller must write the six digits voucher number in Block 1 of the voucher form. **The caller will be required to enter the entire 9- digit voucher number for verification before the call is terminated.** This procedure also ensures that each voucher number is unique.

NOTE: If the grantee does not know the three- digit Program Area Number that is associated with the grant, the grantee should contact their HUD Program/Field Office staff.

4. Entering the VRS Number

LOCCS/VRS will ask the caller to enter the 10-digit VRS number for which funds are being requested.

When the VRS number is keyed in, the VRS synthesized voice will speak the HUD project/grant number for the caller to ensure the correct VRS number was keyed.

5. Entering the Voucher Amount

The caller will then enter the amount of funds to be drawn, followed by the pound (#) sign. Since LOCCS/VRS does not know the exact voucher amount to be entered, the caller must enter the pound (#) sign last to indicate that his/her entry is complete. Also, the asterisk (*) sign should be used in lieu of the decimal point.

For example, to request \$28,569.39, the caller would enter:

2 8 5 6 9 * 3 9 #

LOCCS/VRS then verifies the amount entered. This gives the caller an opportunity to continue processing or cancel the request.

If the caller has made a drawdown request in error and wishes to cancel the request after the call has been completed, he/she must notify the HUD Office responsible for administering his grant. The drawdown request can be canceled if done before 5:00 p.m., Eastern Time, of the day that the request was made.

6. Various Outcomes of a Request for Payment

- a) The request is consistent with all edits, and the payment is **approved** either on-line or the caller is required to contact their appropriate program office for payment approval. The requested funds are sent to the grantee's bank account, in most cases within 48 hours of the request.
- b) The grantee is unable to request any funds and is told that all-further request for funds have been **suspended**. This occurs when the grantee is in violation of his/her grant agreement. Once the violation is corrected/rectified, the suspension will

be lifted and the grantee may continue to request funds.

- c) A request for a drawdown is **rejected**. If the grantee does not know why the request was rejected, the grantee should contact the HUD Office responsible for administering the grant for assistance.

III. QUERIES

In addition to drawdown capability, LOCCS/VRS allows grantees to query the system for various information. The initial menu will give grantees this option at the start of each VRS call. The available query functions are as follows:

A. Grant Query

LOCCS/VRS will give current authorized, disbursed, and available balance totals for the selected grant, along with general grant status.

B. Voucher Query

By entering a voucher number, the status of the voucher is given. This includes when and who called in the voucher, and if the voucher has been paid, canceled, or is out for review.

C. Last assigned VRS Grant Number

By specifying a Tax ID number, the last assigned VRS number for the selected program area is given by electronic voice. This is useful if the caller has not received the LOCCS/VRS-generated letter with the assigned VRS number, but wishes to draw down funds. If you prefer to speak to a HUD representative about obtaining your VRS number, please contact the HUD Office responsible for administering your grant.

IV. CHANGE OF ADDRESS

In the event of an address change the LOCCS user must complete a HUD form 27054.

Under type of function (Block 1), the user should check item 7 (change address), and complete the entire form. The form does not need to be notarized. The form should be faxed to the appropriate **program office** and the program officer will fax the form to the CFO Security Office.

V. CHANGING APPROVING OFFICIALS, LOCCS/VRS.

In the event that a Grant recipient/grantee changes its approving official, it must provide written notification to the program office responsible for the grant and it will then be forwarded to the LOCCS Security Office

This notification **must** be on the organization's **letterhead** and **must** include the following:

1. NAME and TITLE of the **new Approving Official**. (Please note that the new approving official should be the CEO of the organization and/or of higher authority than the LOCCS user).
2. SOCIAL SECURITY NUMBER (SSN).
3. Daytime TELEPHONE
4. ADDRESS of the new Approving Official.
5. NAME of the **PREVIOUS APPROVING OFFICIAL**. (NAME ONLY, NO SSN, NO USER ID))
6. List the EXISTING USERS (NAME ONLY, NO SSN, NO USER ID) SO that we may change Approving Officials.
7. SIGN, DATE and NOTARIZE the new APPROVING OFFICIAL'S SIGNATURE.

Send the notification to the appropriate HUD program official and once reviewed and approved, they will then mail the document to :

***U.S. Department of Housing and Urban Development
Office of the Chief Financial Officer, FYM
Attention: LOCCS Security Team
P.O. Box 23774
Washington, DC 20026-3774***

Office Telephone:
202-708-0764 or TOLL FREE 1-877-705-7504

Upon receipt of your document, LOCCS Security staff will re-certify you and your staff. As the approving official you will

LOCCS/VRS INSTRUCTION FOR GRANTEES

receive an official letter with semi -annually re-certify instructions for **within the next six months**. There will be no other notification at this time.

VI. List of Appendixes

- Appendix 1** *How to Complete the HUD-27054 (LOCCS Voice Response Access Authorization)*
- Appendix 2** *How to Complete the SF-1199A (Direct Deposit Sign-up Form)*
- Appendix 3** *Sample User ID Authorization Letter*
- Appendix 4** *Sample VRS Number Notification Letter*
- Appendix 5** *How to Complete the HUD-27053 (LOCCS VRS Request Voucher for Grant Payment)*

Appendix 1

How to Complete the HUD-27054, LOCCS Voice Response Access Authorization

For Completion by Grantee

1. **Type of Function**

- (1) **New User:** User does not already have a LOCCS user ID. Form must be notarized with original signatures.
- (2) **Reinstate User:** Used to renew the user's access authorization in LOCCS. Form must be notarized with original signatures.
- (3) **Terminate User:** will immediately terminate the user access authorizations in LOCCS.
- (4) **Reset Password for active users:** A temporary password will be mailed back to the user to inform him/her of the rest password's value. The user will be required to change the password on the next access to LOCCS.
- (5) **Add new program area or tax ID:** user has a current user ID and will be increasing access capability.
- (6) **Change Tax ID:** User has a current ID and will be changing the TAX ID. **This function is not to be used to change approving official, or substitute a user. Contact Field Office contact for procedures.**
- (7) **Change Address:** User is changing the current mailing address.
- (8) **Resend User-ID.** User has no knowledge of existing User-ID. User must send an original notarized form.

2a. **User ID**

If the caller is a new user, leave this block blank. If the caller has a HUD User ID, fill that number in.

- 2b. **Social Security Number**
Enter the Social Security Number of the caller. **This is mandatory.**
3. **User information**
All fields are mandatory. Failure to enter any of these fields may cause the security request to be rejected.
4. **Recipient Organization for which Authority is being requested**
This information will identify the organization the user will be representing. Enter the grantee's Tax Identification Number and your organization's name.

- 5a. **LOCCS Program Area:**
Enter the four character LOCCS Program Area. **If the grantee does not know the four- character alpha numeric LOCCS Program Area that is associated with the grant, the grantee should contact their HUD Program/Field Office staff.**
- 5b. **Program Name**
Enter Program Name Grants **If the grantee does not know the Program Area that is associated with the grant, the grantee should contact their HUD Program/Field Office staff.**
- 5c. **Enter "Q" for Query only access or "D" for Drawdown access.**
Users who select Drawdown access will automatically receive Query access.
6. **Authorized User's Signature and Date**
The signature of the user requesting access.
7. **Approval**
This block is for the approving official representing the grantee. Approving officials must be the Chief Executive Officer or the designated representative of the organization and/or of higher authority than the LOCCS user and has supervisory responsibility for the individual. Approving officials cannot approve themselves for access to the system.
8. **Notary**
Each new and re-instated user form must be notarized. The notary must be different from user and approving official, and it should contain, seal with expiration date, signature and **date notarized.**

Appendix 2

How to Complete the SF-1199A, Direct Deposit Sign-up Form

Section 1 - to be completed by the grantee

- Block A Print or type the name and address of the grantee organization and the telephone number of the person completing the form.
- Block B Leave Blank
- Block C Print or type your Grant Number, which is on the letter, which notified you of your grant award. Print or type the Tax Identification Number of the organization below the project number.
- Block D Mark with an "X" the type of account into which your Grant funds will be directly deposited. You must choose either Checking or Savings.
- Block E Print or type the number of the account into which your Grant funds will be deposited. If your financial institution does not use account numbers, up to 17 characters of the depositor's name or other identification may be entered. Dashes are acceptable as part of the number, but spaces are not acceptable. The depositor's account number must be formatted exactly as it appears in the financial institution's records.
- Block F Check other and enter the name of the Program
- Block G Leave Blank

How to Complete the SF-1199A, Direct Deposit Sign-up Form **(Continued)**

Payee/Joint Payee Certification

The Certification should be signed by the Chief Executive Officer or the designated representative of the organization completing the form. If additional signature lines are required, use a plain sheet of paper and attach it to the form. Be sure to place your name and grant number on the sheet so that, if it becomes separated, HUD will know for which grant it is. All signatures must be original. Forms containing duplicated copies of signatures will not be processed and will result in delays.

Section 2 - Print or type the following name and address in this section;

***U.S. Department of Housing and Urban Development
Office of the Chief Financial Officer
CFO National Accounting Center
801 Cherry St., Unit #45, Suite 2500
Fort Worth, TX 76102***

Section 3 - to be completed by your financial institution

NOTE: DO NOT HAVE THE FINANCIAL INSTITUTION MAIL THE FORM. THE FORM SHOULD BE MAILED TO THE APPROPRIATE PROGRAM OFFICE.

Print or type the name and address of your financial institution, the Routing Number and Check Digit.

Enter the name of the entity to receive the funds in the "Depositor Account Title" block.

The financial institution's representative signs and dates the form. The telephone number, including the area code, must also be provided so that HUD can verify information.

This completed form, AND A BLANK CHECK marked CANCELED or VOID, must be returned to the address shown in Section 2 above. Failure to include the canceled check will delay receipt of funds.

Appendix 3

Sample VRS Number Notification Letter

U.S. DEPT. OF HUD
P.O. BOX 23774
WASHINGTON DC 20026-3774

GRANTEE NAME
GRANTEE ADDRESS

Date

U.S. Dept. of Housing and Urban Development
Line of Credit Control System (LOCCS)

Re: Grant Number

Dear Grant Recipient:

This is to advise you of the assignment of your LOCCS Voice Response project number. This number is to be used for telephone queries and requests for funds disbursement.

Your Voice Response project number for grant [XXXXXX Grant Number] is: [VRS Number].

If you have any questions concerning this matter, please call the HUD Program/Field Office.

Thank you for your participation in the XXXXX Grant Program.

Appendix 4

Sample User ID Authorization Letter

U.S. Dept. of HUD
Office of the Chief Financial Officer
Attn: LOCCS Security
P.O. Box 23774
Washington, DC 20026-3774

Grantee Name
Grantee Address
Date

U.S. Dept. of Housing and Urban Development
Line of Credit Control System (LOCCS)

Re: LOCCS Voice Response System (VRS) Access Authorization

Dear Grantee:

Your request for LOCCS Voice Response System access has been approved.

Your new User ID is [7 digit numbers].

To activate this access authorization, you must call the HUD VRS toll free 1-877-705-7505 by [system inserts date that reflects 45 days from date listed above] You need not draw down funds at this time, but you will be asked to select a password.

FAILURE TO ACTIVATE YOUR USER ID AND ACCESS BY THE DESIGNATED DATE WILL RESULT IN AUTOMATIC CANCELLATION OF THIS APPROVAL!

The attached sheet contains general information on the HUD Voice Response System. You should retain this sheet and have it readily accessible when you call VRS. More detailed information about this VRS is contained in the XXXXXXXX Grant Program Instructions.

Your User ID will be terminated if it is not used for any given six-month period. To avoid being terminated, you should call the VRS once every 60 days to change your password.

Please be advised that it is a violation of security procedures to share your LOCCS User- ID with anyone. If User Ids are shared, LOCCS access will be suspended, until notarized Security Procedures are received from the approving official. Remember, you are responsible for ensuring that LOCCS Security policies are enforced.

Sample User ID Authorization Letter (Continued)

This access has been approved for the following Program Area, Recipient Tax ID, and function:

XXXXXXXX Grant Program Tax ID: **[Grantee's TIN]**
Name of Grantee: ___Query and/or___Drawdown

If you have any questions concerning security matters, please call the LOCCS Security Officer at (202) 708-0764 or toll free 1-877-705-7504.

You can access the HUD Voice Response System by calling toll free 1-877-705-7505.

- A. Use a touch-tone phone to enter numeric values and selections per Voice instructions. Select HUD's Line of Credit Control System (LOCCS) by pressing "2" after the voice greeting.
- B. When entering fields of variable length such as a voucher amount, remember to follow the amount with a "#". Draw down whole dollar amounts only.

Anytime that input is requested, one of the following can be used:

- #8 Repeat the last thing spoken
- #9 Return to previous menu selection
- #0 Quit Immediately
- #1 Return to initial VRS Menu selection

For Budget Line Item Requests

- 9999 Entry after final line item is entered
- 3# To cancel the last budget line item requested.

SAVE THIS SHEET AND KEEP IT READILY ACCESSIBLE FOR USE WHEN CALLING THE VRS.

Appendix 5

How to Complete the HUD-27053, (LOCCS VRS Request Voucher for Grant Payment)

Block 1 ***Voucher Number:***

Enter the three-digit Program Area Number (Grant Program prefix). The remaining six digits will be automatically determined by LOCCS and given to the caller during the drawdown session.

NOTE: If the grantee does not know the three-digit Program Area Number that is associated with the grant, the grantee should contact their HUD Program/Field Office staff.

Block 2 ***LOCCS Program Area:***

Enter the four character LOCCS Program Area.

NOTE: If the grantee does not know the four-character alpha numeric LOCCS Program Area that is associated with the grant, the grantee should contact their HUD Program/Field Office staff.

Block 3 ***Period Covered by this Request:***

Enter the time period in mmddyy format (e.g., From 050100 To 053100) that funds were/will be expended.

Block 4 Enter the name of the recipient organization which is requesting funds. It must be the same name that appears on the Grant Agreement.

Block 4a Enter the organization's Tax Identification Number (also called Employer Identification Number).

Block 4b Enter the organization's address

How to Complete the HUD-27053 (LOCCS VRS Request Voucher for Grant Payment) (Continued)

- Block 5 Enter the balance of funds on hand.
- Block 6 **Voice Response Number:** Enter your 10-digit VRS Number, which you received by mail.
- Enter the Grant or Project Number that appears on your Grant Agreement.
- Enter the amount requested and the Voucher total. All amounts must be entered as whole dollars.
- Block 7 Enter the name and title of the person authorized to request the funds. **The authorizing signatory in Block 7 can not be the same person(s) designated in BLOCK 3 of the HUD27054, LOCCS voice Response Access Authorization Form**