

CHAPTER 6. FUND CONTROL

6-1 PROCEDURES Because ARC funds come from a different appropriation, these funds must be accounted for separately. OFA is required to submit to ARC a monthly report for these separately appropriated funds. Accordingly, follow the steps described below to supply information on these funds to the HUD Regional Accounting Division:

- A. Reservation of ARC Funds. Reservation of ARC funds for a project does not require input from the Field Office. The Regional Accounting Division will automatically establish the reservation based on an Inter-Office Transfer Voucher (IOTV) sent from Headquarters. In order to establish the reservation, the IOTV must show the ARC project number, the HUD project number, the locality, and the amount of the ARC grant.
- B. Obligation of ARC Funds. Obligation of ARC funds for a project shall be accomplished by means of Form HUD-7082 (12-83), "Funding Approval Under Title I of the Housing and Community Development Act of 1974." Block 7, "Category of Community Development Block Grant for this Funding Action," should be modified by adding "d () other Section 214 ARC Act of 1965." To alert the Regional Accounting Office that the HUD-7082 includes approval of ARC funds, insert the following immediately below item 8.c: "See item 13, for ARC project." Insert the following in item 13:
 1. Amount of ARC Funds Currently Reserved for this Applicant.....\$_____
 2. Amount of ARC Funds Now Being Approved for ARC Project No._____ \$_____
(NOTE: The ARC project number will be furnished to the Regional Accounting Division in the letter from Headquarters to the Commission acknowledging acceptance of the interagency transfer.)
 3. Amount of Reservation to be Cancelled (line a minus line b)..... \$_____

- C. ARC Resolution No. 31 Per HUD's agreement with ARC, the applicant must certify on Form HUD-7082 that it will comply with Section 2 of ARC Resolution No. 31 regarding the maximum feasible

employment of local labor (see "Resolution Number 31 in Exhibit 6-1).

- D. The HUD Field Office must send a copy of Form HUD-7082 to the ARC Commission's Office:

Director of Finance
Appalachian Regional Commission
1666 Connecticut Avenue, N. W.
Washington, DC 20235

- E. Recording Contract of ARC Funds. The Regional Accounting Office will record the contract amount for a project upon receipt of Form HUD-7082 signed by both HUD and the applicant.

- F. Disbursement of ARC Funds. ARC funds shall be made available through the same Line of Credit which is used for CDBG funds, using the following procedures:

1. The Field Office must clearly instruct ARC grantees to take the following two actions to set up a Line of Credit to disburse ARC funds:
 - a. To complete and submit to the Field Office a Direct Deposit Sign Up Form (SF-1199A) for review, the Field Office should ensure the SF-1199A is properly completed. Complete Block G with the status NEW (first time the grantee is receiving HUD funds), ADDITIONAL (grantee is currently receiving funds via another grant number), OR REPLACEMENT (change the existing banking information to reflect the data on the document in hand) . The Field Office must sign the SF-1199A in Block G before forwarding the document to RAD for processing.

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- b. To complete and submit the LOCCS Voice Response Authorization Form to the Field Office for review. In order not to breach security, ONLY the initial form is to be sent to the Field Office. Any changes are to be sent directly to the Office of IPPS, OFA Support Branch (AISAO) in Headquarters.
2. When funds are needed, ARC grantees must prepare a voucher ([HUD Form 27053](#)) ;

3. ARC grantees may request funds under the Line of Credit Voice Response System using the instructions received from their local HUD Field Offices on how to use the Voice Response System; and
4. Distribute the voucher and its copies according to HUD instructions.