



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-3000

OFFICE OF HEALTHY HOMES AND
LEAD HAZARD CONTROL

POLICY GUIDANCE NUMBER: PGI 2013 - 02	DATE: April 1, 2013
SUBJECT:	Revised Line of Credit Control System (LOCCS) Reimbursement Procedures
STATUS:	Current
APPLICABILITY:	All OHHLHC grant programs
RELATED GUIDANCE:	24 CFR 84, 24 CFR 85, OMB Circulars A-21, A-87, and A-122
COMMENTS:	Superseded by PGI 2015-02

The Office of Healthy Homes and Lead Hazard Control (OHHLHC) is issuing this updated policy guidance to ensure that all grant reimbursements are for eligible costs and are made in compliance with all applicable requirements.

Specifically, this updated policy guidance addresses the new requirements for detailing Administrative Costs included in each LOCCS request to ensure grantees are not exceeding the 10% Administrative Cost limit on the total Federal award amount.

The Government Technical Representative (GTR) assigned to the grant is responsible for the review and approval of grantee requests for payment through the Line of Credit Control System (LOCCS). The GTR approves or rejects grantee payment requests within five business (5) days of the request for reimbursement and receiving all required supporting documentation.

Grantees shall submit the following documentation, including, but not limited to:

1. Revised Part 3 Financial Reporting Form (attached);
2. VRS Request Voucher for Grant Payment, Form HUD 27053 (attached);
3. Supporting documentation for all costs on VRS requests exceeding \$100,000;
4. Submit detailed documentation outlining and describing Administrative Costs associated with this request; and
5. Any other documentation requested by the GTR to provide support and justification for the request.

The following reimbursement process is being implemented in connection with this new policy guidance:

1. The Grantee makes the reimbursement request using the VRS telephone system and emails and/or faxes copies of original documents required in support of request to the grantee's assigned GTR within 5 days.
 - a. Complete documentation in support of requests exceeding \$100,000 will be required for all Direct Program Costs and Administrative Costs, including

- personnel and fringe benefits. A description of direct costs is provided in the Notice of Funding Availability (NOFA) under which the award was made.
- b. For requests less than \$100,000, the Part 3 Financial Reporting Form and the VRS Request Voucher for Grant Payment Form-HUD 27053 are required, unless other additional provisions are required in the grant agreement. OHHLHC will not approve LOCCS requests without supporting documentation.
 - c. For requests less than 100,000, complete documentation in support of the Administrative Costs associated with the request are required.
 - d. LOCCS requests must be submitted at least 10 days prior to the end of the quarter in order to be counted towards quarterly benchmark goals;
2. Within five business (5) days of receipt by fax and/or email of all supporting documentation, the GTR will review in accordance with the above requirements, and will verify eligibility of reimbursements being requested.
 - a. If additional documentation is required, the GTR notifies the grantee by email. The GTR will review resubmitted documentation within two business days.
 3. The GTR approves or rejects the Request Voucher for Grant Payment in the LOCCS based on review of submitted documentation. Grantees are notified by phone and/or email for rejected voucher(s) and instructions for resubmitting the revised voucher(s).
 4. Funds are dispersed to the grantee account typically within three business days of approval.
 5. Failure to comply with this requirement will result in OHHLHC holding approval of requests until originals are submitted.

OHHLHC will not approve grantee LOCCS requests without acceptable supporting documentation.

The GTR, in compliance with the Department's grant monitoring process, may at any time, but not less than once per year, require that all supporting documentation for any requests for reimbursement be submitted to the GTR regardless of the amount of reimbursement being requested.

Grantees must ensure that all documentation associated with LOCCS payment requests are retained according to appropriate record retention requirements. Records related to the grant program must be made available for inspection by HUD or its designee as stipulated in the grant agreement.

Grantees must retain originals and provide email and/or fax copies to the GTR.