



Rural Development

RD AN No. 4845 (1944-I)  
September 26, 2017

Richard A. Davis  
Acting Administrator  
Rural Housing Service

TO: All State Directors  
Rural Development

1400 Independence Ave, SW  
Room 5011-S  
Washington, D.C. 20250

ATTENTION: Single Family Housing Program Directors  
Self-Help Coordinators

FROM: Richard A. Davis /s/ *Richard A. Davis*  
Acting Administrator  
Rural Housing Service

SUBJECT: Self-Help Technical Assistance Grant Servicing

**PURPOSE/INTENDED OUTCOME:**

This Administrative Notice (AN) is issued to provide guidance for Section 523 Self-Help Grant administration and oversight in accordance with Rural Development (RD) Instruction 1944-I.

**COMPARISON WITH PREVIOUS AN:**

This AN replaces RD AN No. 4805 dated June 1, 2016.

**BACKGROUND:**

In accordance with RD Instruction 1944-I, §1944.417, the agency is responsible for monitoring and servicing self-help grants, which includes reviewing and acting on requests for extensions and other modifications to the grant agreement. To assist in this task, the agency has contracted with regional Technical and Management Assistance (T&MA) providers across the Nation. RD staff are encouraged to work with the T&MA providers to ensure the success of the Self-Help program. The amount of servicing needed for each grant will vary; however, RD staff are reminded that the T&MA providers assist the agency in monitoring functions and should coordinate quarterly meetings, site visits, property inspections, etc. to ensure they support the agency in the monitoring of the grants.

EXPIRATION DATE:  
September 30, 2018

FILING INSTRUCTIONS:  
Preceding RD Instruction 1944-I

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## **IMPLEMENTATION RESPONSIBILITIES:**

The following provides a baseline for grant oversight nationwide and will be adhered to as a minimum standard.

### **Grant Draw Request**

No more than monthly, the grantee may request a draw from their Section 523 grant funds by submitting form SF-270 'Request for Advance or Reimbursement' and a copy of their working budget to the appropriate RD approval official. The request should outline the amount of funds expended in the previous month, the remaining balance of the grant, the amount needed for the next 30 days (this may be shown on the working budget sheet) and a written justification if the funding request exceeds the projected need for the following month. **Attachment 1** provides a sample draw request form which should be submitted with form SF-270 and a working budget.

Grant draw requests should be based on production and need. For example, if a grantee does not have homes in construction, a temporary layoff of their construction supervisor may be appropriate. Grant disbursement is based upon an approved draw schedule taking into account the Equivalent Units (EU's) produced as well as other factors such as power tool and equipment needs, audit requirements, and training. The RD approval official will review the draw request and if acceptable, request funds be delivered via the Automated Clearing House (ACH) in the Automated Discrepancy Processing System (ADPS). If the draw request appears unacceptable, the RD approval official should immediately contact the grantee and supporting T&MA provider to resolve the discrepancy.

### **Progress Reporting and Grant Monitoring**

Quarterly, the grantee must submit RD Instruction 1944-I, Exhibit B and/or Self-Help Automated Reporting and Evaluation System (SHARES) report equivalent to the RD staff assigned with grant oversight, as well as to their regional T&MA provider. Regardless of the grant close date, these reports are due no later than the 15<sup>th</sup> of January, April, July, and October. Meeting the report deadlines is a requirement of the grant agreement and failure to adhere to this strict schedule could negatively impact the grantee when the final grantee evaluation is completed at the end of the grant period pursuant to §1944.410 (a) (5) 'Meeting other objectives in the grantee agreement.'

### **Quarterly Meetings**

Quarterly meetings should be held as soon as practicable after quarterly reports are received, and may be held in person or via conference call. This meeting provides an excellent opportunity for the RD approval official to thoroughly review the quarterly report and the grant status with the grantee, T&MA provider, and the RD staff processing the Section 502 or 504 Direct Self-Help loan packages.

The grantee's progress in assisting the projected numbers of families, EU's earned, percentage of very low-income applicants served, family labor contribution, as compared with the time elapsed in the grant and grant funds drawn to date should also be reviewed at this meeting. Additionally, the grantee's implementation schedule is a valuable tool in assessing the grant progress and should be revised as changes are needed due to early completions, construction delays, etc. Other meeting agenda items may include but are not limited to the quality of the loan application packages, marketing efforts,

environmental reviews for new developments and any other topics effecting the grant performance. Minutes of quarterly meetings should be documented in the grant case file.

This AN should be used as a guide for Section 523 Grant administration and oversight. State Offices needing further guidance on this AN should contact Andria Hively, Finance & Loan Analyst for the Single Family Housing Direct Loan Division at 360-753-7724.

Attachment

*Attachment 1*

ELECTRONIC FUNDS TRANSFER  
AUTOMATED CLEARINGHOUSE SYSTEMS  
(EFT/ACH)

Date: \_\_\_\_\_

Borrower Name: \_\_\_\_\_

Borrower Case #: \_\_\_\_\_

Fund Code/Loan # \_\_\_\_\_

9 Digit Routing Number: \_\_\_\_\_

Account #: \_\_\_\_\_

Type of Account (checking or savings): \_\_\_\_\_

Name of Financial Institution: \_\_\_\_\_

Bank Contact and Telephone #: \_\_\_\_\_

Undisbursed Amount: \_\_\_\_\_ \$

Amount of Payment: \_\_\_\_\_ \$

Remaining undisbursed funds (after this request): \_\_\_\_\_ \$

Agency Use:    Authorized by: \_\_\_\_\_ Date: \_\_\_\_\_

Entered by: \_\_\_\_\_ Date: \_\_\_\_\_