

# HOME Investment Partnerships Program Updated Setup and Draw Workbook 2010 Rules and 2012 Rules

Administered by



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# Updated Setup and Draw Workbook

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## Overview of Changes to the Setup and Draw Workbook

- This presentation will cover the entire Setup and Draw Workbook
- Overview of changes:
  - Workbook now accommodates 2010 and 2012 Rules
  - Instructions are included for each required tab
  - Reduced number of required hard cost line-item entries for Final Budget
  - Reduced number of required soft cost line-item entries for Final Budget
  - New required fields in Final Budget tab:
    - Pre-Rehab Value of Unit
    - Additional site work for accessibility
    - Remediation of lead-based paint (LBP)
  - Eligibility Tests section explains deficiency and suggests resolution
  - Funds cannot be drawn from the Contingency line-item
- Begin using the updated Workbook for new setups **March 1, 2013**

# Updated Setup and Draw Workbook

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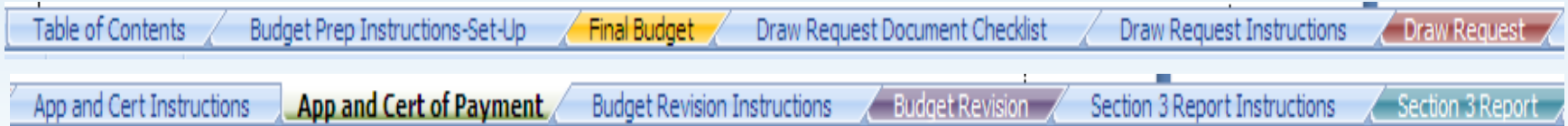
## What is the *Setup and Draw Workbook* ?

- The Setup and Draw Workbook is an Excel workbook which compiles budget and cost data used to approve project setups and draw requests available at:  
[http://www.tdhca.state.tx.us/home-division/forms/home\\_forms\\_hra.htm](http://www.tdhca.state.tx.us/home-division/forms/home_forms_hra.htm)
- Submit the Workbook with the setup request data entered in the online Housing Contract System (HCS)
  - Include budgeted hard and soft costs
  - Budget should be based on the accepted builder's bid, or if the builder is not yet procured, the Administrator's work write-up/cost estimate
  - Electronically attach Workbook to HCS
- Also submit the Workbook with each draw request
  - Use the most recent staff-approved version
  - Include actual costs incurred for each budgeted line-item
  - Draw request entries must agree with invoices and support documents

# Updated Setup and Draw Workbook

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- Refer to the 12 tabs along the bottom edge of the Workbook:



- Access tabs by using the hyperlinks in the Table of Contents or by clicking the tab itself.
  - Table of Contents*
  - Instructions for Budget Preparation for Project Set-up*
  - Final Budget* (fillable form)
  - Checklist - Draw Request Documents*
  - Instructions for Submitting a Project Draw Request*
  - Draw Request and Record of Match Provided* (fillable form)
  - Instructions for Application and Certification of Payment*
  - Application and Certification of Payment* (fillable form)
  - Instructions for Budget Revisions*
  - Budget Revisions Request* (fillable form)
  - Instructions for Section 3 Report*
  - Section 3 Report* (fillable form)

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## Instructions for Submitting a Project Setup Tab

- Detailed instructions are located in the "Budget Prep Instructions – Set-Up" tab

Final Budget Preparation Instructions for Submission with Project Set-Up	
<ul style="list-style-type: none"> <li>This tab determines whether the requested budget is allowable based on project type and applicable rule year.</li> <li>This tab tracks the funds requested in the Draw Request tab and determines if the request exceeds the budget.</li> <li>This tab must be submitted at project set-up and uploaded to the Housing Contract System as a separate attachment.</li> <li>Upon approval of the set-up, the budget will be locked and changes to the budget must be made using the Activity Revision tab. Your performance specialist will then make changes to the Final Budget tab when the revision(s) is approved.</li> </ul>	
General Information Section	
<b>Household Name</b>	Enter the last name of the household to be assisted.
<b>Contract/Reservation Number</b>	Enter the Contract Number or the Reservation Award Number from the Contract Database (CDB) System. The Number is formatted as a seven digit number "100XXXX".
<b>Applicable Rule Year:</b>	Select the rule year that the Contract/Reservation System Participation (RSP) Agreement is subject to from the drop-down menu.
<b>Activity/Construction Type</b>	Select the activity type from the drop-down menu. Contact for Deed activities will be either Reconstruction/New Construction with Refinance or Rehabilitation with Refinance.
<b>Contract for Deed?</b>	Select "Yes" or "No" from the drop-down menu indicating whether the project is a Contract for Deed Conversion.
<b>Unit Square Footage</b>	Enter the number of square feet of the unit to be constructed or
<b>Number of persons in household</b>	Enter the total number of persons in the household to be assisted.
<b>Pre-Rehab Value of Unit</b>	For projects subject to the 2012 or later rules, enter the value or the unit in the current condition, prior to any rehabilitation or reconstruction activity.
<b>Rehabilitation project requires additional soft costs for the remediation of lead-based paint hazards?</b>	Select "Yes" or "No" from the drop-down menu indicating whether the project is a rehabilitation that requires additional project soft costs to pay for remediation of lead-based paint hazards. Selecting "Yes" allows for an additional amount of money to be added to the Final Budget for this cost category.
<b>Project requires additional sitework for accessibility features when more than 50' from paved road or floodplain</b>	Select "Yes" or "No" from the drop-down menu indicating whether the project requires additional sitework for accessibility features, or floodplain elevation. Selecting "Yes" allows for an additional amount of money, not to exceed \$5,000, to be added to the Final Budget for this cost category.
Budget Columns	
<b>Column A: Project Budget (including HOME and Match)</b>	Entires for line items in Column A should include all TDHCA HOME and Match funds contributed to the project. If other funds are contributed which are NOT HOME funds or Match, do not enter them into the
<b>Column B: HOME Budget (Excluding HOME Budget (Including HOME and Match))</b>	Entries for line items in Column B should include all TDHCA HOME funds contributed to the project.
<b>Column C: HOME Costs Incurred to Date</b>	This is a self-populating column. Column C sums all of the entries for the specified line item from the Draw Request Log.
<b>Column D: Match/Leverage Budget</b>	Entires for line items in Column D should include all sources of Match or Leverage that are contributed to the project.
<b>Column E: Match (M)/Leverage (L)</b>	For each entry in Column D, select with M for Match or L for Leverage in Column E.
<b>Column F: Match/Leverage Source</b>	For each entry in Column D, enter the source of the Match or Leveraged funds.
<b>Column G: Match Provided to Date</b>	This is a self-populating column. Column G sums all of the entires for the specified line item from the Match Log.
<b>Column H: Remaining in Budget</b>	This is a self-populating column. Column H deducts the amounts of all of the entries for the specified line item from the Draw Request and Match

Budget Line Item Rows - Acquisition	
<b>This section applies to projects that involve Acquisition or Refinance of property, including Contract for Deed Conversion, Single-Family Development, Homebuyer Assistance with Rehabilitation, and Homeowner Rehabilitation (HRA) with Refinance. This section is NOT applicable for HRA that does</b>	
<b>Acquisition/Refinance Hard Costs</b>	Corresponds to purchase/refinance cost of the housing unit.
<b>Acquisition/Refinance Closing Costs</b>	Corresponds to closing costs associated with the acquisition/refinance of the housing unit.
Budget Line Item Rows - Construction Costs	
<b>This section applies to all projects with a construction component. All construction hard costs must be reflected in this section.</b>	
<b>Off-Site Costs</b>	Costs allowed under 24 CFR 92.206 to make utility connections from the property line to the adjacent street.
<b>Demolition/Site Work</b>	Costs to demolish the existing structure and to prepare the site for construction of a new housing unit.
<b>Aerobic Septic System</b>	Cost to install an aerobic septic system
<b>Construction Costs</b>	Total cost of construction or rehabilitation of the unit, exclusive of other line-item costs.
<b>Building Contractor Fee (SFD only)</b>	Total amount paid to the building contractor for fees and general requirements. This line item is only applicable to Single Family Development projects.
<b>Interim Financing Cost</b>	Total cost of any interim financing paid by the CA/RSP for project costs.
<b>Contingency</b>	Total contingency for the construction project. Contingency is limited to 5% of construction costs.
<b>Additional Site Work</b>	If the project requires additional site work for accessibility features, or floodplain elevation, this row must be completed.
Budget Line Item Rows - Third Party Closing Costs	
<b>This section applies to all projects that have third-party closing costs associated with a TDHCA HOME</b>	
<b>Appraisal</b>	Total cost of appraisal for rehabilitated/reconstructed unit or new MHU.
<b>Title Work</b>	Total cost of fees paid to a title company for title reports, policies, or endorsements to a title policy.
<b>Tax Certificates</b>	Total cost of fees paid to the appraisal district for tax certificates.
<b>Recording Fees</b>	Total cost of fees paid to the county clerk for recording of loan or grant documents.
<b>Survey</b>	Total cost of survey(s) required by the title company or TDHCA.
<b>Other Closing Requirements</b>	Total cost of other third-party closing costs not included in other line
Other Project Soft Costs	
<b>This section applies to all projects. All soft costs paid to the CA or a third party must be reflected in</b>	
<b>Lead-Based Paint Remediation</b>	Total cost for lead-based paint remediation. This line item must be approved by the Division Director.
<b>Construction Project Soft Costs (Non-LBP)</b>	Total soft costs for construction component of project for items including, but not limited to: Application intake and processing, credit report, construction and disbursement doc, environmental review, inspection fees, procurement costs, preconstruction conference, project
<b>Acquisition Project Soft Costs (HBA/R and CFDC only)</b>	Total soft costs for acquisition component of project for items including, but not limited to: Application intake and processing, credit report, environmental review, inspection fees, procurement costs, and project

# Updated Setup and Draw Workbook

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## Submitting a Setup Request

- When you submit a request to set up a new project, the budget must specify the anticipated costs for the following construction systems:
  - Off-site costs (SFD Only)
  - **Demolition and disposal**
  - **Construction costs**
  - Building Contractor fee (SFD Only)
  - Interim financing cost
  - **Contingency (maximum 5% of hard costs)**
  - **Additional site work (for floodplain elevation and accessibility features)**

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## Final Budget Tab

HOME REHABILITATION PROJECT BUDGET & DISBURSEMENT PLAN								
Household Name		Contract/Reservation Number						
Applicable Rule Year		Activity/Construction Type						
Contract for Deed?		Unit Square Footage						
Number of persons in household		Pre-Rehab Value of Unit						
Rehabilitation project requires additional soft costs for the remediation of lead-based paint hazards?								
Project requires additional sitework for accessibility features when more than 50' from paved road or floodplain elevation?								
Budget Line Items	Column A: Project Budget (including HOME and	Column B: HOME Budget (Excluding Match)	Column C: HOME Costs Incurred to Date	Column D: Match/ Leverage Budget	Column E: Match (M)/ Levera	Column F: Match/Leverage Source	Column G: Match Provided to Date	Column H: Remaining in Budget
<b>ACQUISITION</b>								
Acquisition/Refinance Hard Costs			\$ -				\$ -	\$ -
Acquisition/Refinance Closing Costs			\$ -				\$ -	\$ -
<b>Subtotal Acquisition/Refinance Costs</b>	\$ -	\$ -	\$ -	\$ -			\$ -	\$ -
<b>CONSTRUCTION COSTS</b>								
Off-Site Costs (SFD Only)			\$ -				\$ -	\$ -
Demolition/Site Work			\$ -				\$ -	\$ -
Aerobic Septic System			\$ -				\$ -	\$ -
Construction Costs			\$ -				\$ -	\$ -
Building Contractor Fee (SFD ONLY)			\$ -				\$ -	\$ -
Interim Financing Cost			\$ -				\$ -	\$ -
Contingency			\$ -				\$ -	\$ -
No additional sitework budget allowed. Leave row blank.			\$ -				\$ -	\$ -
Per Square Foot (exc. addl sitework)								
<b>Subtotal Construction Costs</b>	\$ -	\$ -		\$ -			\$ -	\$ -
<b>THIRD PARTY CLOSING COSTS</b>								
Appraisal			\$ -				\$ -	\$ -
Title Work			\$ -				\$ -	\$ -
Tax Certificates			\$ -				\$ -	\$ -
Recording Fees			\$ -				\$ -	\$ -
Survey			\$ -				\$ -	\$ -
Other Closing Requirements			\$ -				\$ -	\$ -
<b>Subtotal Closing Costs</b>	\$ -	\$ -	\$ -	\$ -			\$ -	\$ -
<b>OTHER PROJECT SOFT COSTS</b>								
Lead based paint remediation not required. Leave row blank.			\$ -				\$ -	\$ -
Construction Project Soft Costs (non LBP)			\$ -				\$ -	\$ -
Acquisition Project Soft Costs			\$ -				\$ -	\$ -
<b>Subtotal Soft Costs</b>	\$ -	\$ -	\$ -	\$ -			\$ -	\$ -
<b>TOTAL COST</b>	\$ -	\$ -						\$ -
HOME FUNDS DRAWN/REQUESTED TO DATE			\$ -					
TOTAL MATCH BUDGETED				\$ -				
TOTAL MATCH PROVIDED							\$ -	

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## "Project Budget and Disbursement Plan" Section

- Complete each yellow highlighted field in the “Project Budget and Disbursement Plan” section
  - Household name
  - Contract or Reservation number
  - Applicable HOME Rules year (use drop-down box)
  - Activity/Construction Type (use drop-down box)
  - Contract for Deed Conversion (use drop-down box)
  - Square footage
    - Reconstruction - of the new home to be constructed
    - Rehabilitation - of the existing structure



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## “Project Budget and Disbursement Plan” Section (cont)

- Number of Persons in Household (use drop-down box)
- Pre-Rehab Value of Unit
  - Use assessed tax valuation of the assisted property
- Lead-Based Paint remediation (use drop-down box)
- Additional site work information (use drop-down box)

HOME REHABILITATION PROJECT BUDGET & DISBURSEMENT PLAN				
Household Name	John Smith	Contract/Reservation Number	1001600	
Applicable Rule Year	2010	Activity/Constuction Type	Recon/New Const Only	
Contract for Deed?	No	Unit Square Footage	1000	
Number of persons in household	1	Pre-Rehab Value of Unit	\$ 17,250.00	
Rehabilitation project requires additional soft costs for the remediation of lead-based paint hazards?				No
Project requires additional sitework for accessibility features when more than 50' from paved road or floodplain elevation?				Yes

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## "Acquisition" Section

Budget Line Items	Column A: Project Budget (including HOME and Match)	Column B: HOME Budget (Excluding	Column C: HOME Costs Incurred to Date	Column D: Match/ Leverage Budget	Column E: Match (M)/ Leverage (L)	Column F: Match/Leverage Source	Column G: Match Provided to Date	Column H: Remaining in Budget
<b>ACQUISITION</b>								
Acquisition/Refinance Hard Costs			\$ -				\$ -	\$ -
Acquisition/Refinance Closing Costs			\$ -				\$ -	\$ -
Subtotal Acquisition/Refinance Costs	\$ -	\$ -	\$ -	\$ -			\$ -	\$ -

- The “Acquisition” section applies only to:
  - Contract for Deed Conversion (CFDC)
  - Homeowner Rehabilitation Assistance (HRA) with Refinance
  - Single Family Development (SFD)
  - Homebuyer Assistance with Rehabilitation (HBAR)
- Acquisition/Refinance Hard Costs equals the purchase price
- Acquisition/Refinance Closing Costs equals the costs incurred to close the acquisition loan.
  - Not applicable to HRA projects

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## "Construction Costs" Section

Budget Line Items	Column A: Project Budget (including HOME and Match)	Column B: HOME Budget (Excluding Match)	Column C: HOME Costs Incurred to Date	Column D: Match/ Leverage Budget	Column E: Match (M)/ Leverage (L)	Column F: Match/Leverage Source	Column G: Match Provided to Date	Column H: Remaining in Budget
<b>CONSTRUCTION COSTS</b>								
Off-Site Costs (SFD Only)			\$ -				\$ -	\$ -
Demolition and Disposal			\$ -				\$ -	\$ -
Construction Costs			\$ -				\$ -	\$ -
Building Contractor Fee (SFD ONLY)			\$ -				\$ -	\$ -
Interim Financing Cost			\$ -				\$ -	\$ -
Contingency			\$ -				\$ -	\$ -
<b>Subtotal Construction Costs</b>	\$ -	\$ -	\$ -	\$ -			\$ -	\$ -
Additional Site Work			\$ -				\$ -	\$ -
Per Square Foot (exc. addl sitework)								
<b>Total Construction Costs</b>	\$ -	\$ -		\$ -			\$ -	\$ -

- The Workbook no longer requires detailed itemization of construction costs other than for 'Demolition and Disposal.'
- Construction Costs line-item:
  - Refer to the accepted builder's bid
  - Refer to the work write-up/cost estimate if the builder is not yet procured
- The builder's bid and the work write-up MUST provide detailed line-itemization costs

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## "Construction Costs" Section (cont.)

- Total hard costs cannot exceed:
  - Reconstruction:
    - 2010 Rules: \$80,000 or \$73 per square foot (excluding additional site work)
    - 2012 Rules: \$85,000 or \$78 per square foot (excluding additional site work)
    - Additional \$5,000 for households of 6 or more persons
  - Rehabilitation:
    - 2010 Rules: \$30,000
    - 2012 Rules: The lesser of \$40,000 or the pre-rehab value of the unit
  - Replacement with Manufactured Housing Unit (MHU):
    - Maximum: \$65,000
- Contingency: Limited to 5% of hard costs (excluding additional site work)
- Additional amounts for increased site work for accessibility needs and/or large households are based on answers provided for questions in the "Project Budget and Disbursement Plan" section.
  - Maximum: \$5,000 for each factor

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## "Third-Party Closing Costs" Section

Budget Line Items	Column A: Project Budget (including HOME and Match)	Column B: HOME Budget (Excluding	Column C: HOME Costs Incurred to Date	Column D: Match/ Leverage Budget	Column E: Match (M)/ Leverage (L)	Column F: Match/Leverage Source	Column G: Match Provided to Date	Column H: Remaining in Budget
THIRD PARTY CLOSING COSTS								
Appraisal			\$ -				\$ -	\$ -
Title Work			\$ -				\$ -	\$ -
Tax Certificates			\$ -				\$ -	\$ -
Recording Fees			\$ -				\$ -	\$ -
Survey			\$ -				\$ -	\$ -
Other Closing Requirements			\$ -				\$ -	\$ -
Subtotal Closing Costs	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -

- Column A - Enter the estimated costs for closing requirements related to the HOME loan/grant
- Closing costs are 3<sup>rd</sup> party costs and are not subject to limitation, as long as they are reasonable

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## "Other Soft Costs" Section

Budget Line Items	Column A: Project Budget (including HOME and Match)	Column B: HOME Budget (Excluding	Column C: HOME Costs Incurred to Date	Column D: Match/ Leverage Budget	Column E: Match (M)/ Leverage (L)	Column F: Match/Leverage Source	Column G: Match Provided to Date	Column H: Remaining in Budget
<b>OTHER PROJECT SOFT COSTS</b>								
Lead-based paint remediation			\$ -				\$ -	\$ -
Construction Project Soft Costs (non LBP)			\$ -				\$ -	\$ -
Acquisition Project Soft Costs			\$ -				\$ -	\$ -
Subtotal Soft Costs	\$ -	\$ -	\$ -	\$ -			\$ -	\$ -

- Column A - Enter soft costs for applicable line-items
- Construction Project Soft Costs (excluding LBP costs) limits:
  - Reconstruction: Soft cost limits
    - 2010 Rules: \$7,000
    - 2012 Rules: \$9,000
  - Rehabilitation: Soft cost limits \$5,000
    - May be exceeded if LBP remediation is required (with HOME Director approval)
  - Replacement with MHU: Soft cost limits \$3,500
- Acquisition Project Soft Costs limit: \$1,500

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## Match Contributions

Budget Line Items	Column A: Project Budget (including HOME and Match)	Column B: HOME Budget (Excluding Match)	Column C: HOME Costs Incurred to Date	Column D: Match/ Leverage Budget	Column E: Match (M)/ Leverage (L)	Column F: Match/Leverage Source	Column G: Match Provided to Date	Column H: Remaining in Budget
<b>CONSTRUCTION COSTS</b>								
Off-Site Costs (SFD Only)			\$ -				\$ -	\$ -
Demolition and Disposal	\$ 3,500.00	\$ -	\$ -	\$ 3,500.00	M	Non-federal source	\$ -	\$ 3,500.00
Construction Costs	\$ 68,000.00	\$ 63,000.00	\$ -	\$ 5,000.00	M	XYZ Non-Profit donation	\$ -	\$ 68,000.00
Building Contractor Fee (SFD ONLY)			\$ -				\$ -	\$ -
Interim Financing Cost			\$ -				\$ -	\$ -
Contingency	\$ 1,500.00	\$ 1,500.00	\$ -				\$ -	\$ 1,500.00
Subtotal Construction Costs	\$ 73,000.00	\$ 64,500.00	\$ -	\$ 8,500.00			\$ -	\$ 73,000.00
Additional Site Work	\$ 4,000.00	\$ 1,800.00	\$ -	\$ 2,200.00	M	Non-federal source	\$ -	\$ 4,000.00
Per Square Foot (exc. addl sitework)	\$ 73.00	\$ 64.50						
<b>Total Construction Costs</b>	<b>\$ 77,000.00</b>	<b>\$ 66,300.00</b>		<b>\$ 10,700.00</b>			<b>\$ -</b>	<b>\$ 77,000.00</b>

- Include all match contributions and match sources in the Workbook
  - 2010 Rules: The construction cost budget cap INCLUDES match
    - Compliance is calculated based on Column A
  - 2012 Rules: The construction cost budget cap EXCLUDES match
    - Compliance is calculated based on Column B

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## Match Contributions

- Column B: Enter actual HOME funds budgeted for each line-item, *net of match contribution amounts*
- Column D: Enter match contribution amounts
- Column E: Use the drop-down box to identify the nature of the contribution
  - “M” - match must be from non-federal sources and must be a permanent contribution to the unit
  - “L” – leveraging funds may be from federal sources
- Column F: Identify the source of the match being provided



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## "Eligibility Tests" Section

ELIGIBILITY TESTS		
1. Acquisition Costs within limits (CFD ONLY):	N/A	
2. Allowable Amount per Square Foot:	NO	Construction costs exceed allowable amount per square foot. Reduce construction cost line items.
3. Total Reconstruction/New Construction Costs within Limits (Construction Costs):	NO	Total Reconstruction or New Construction costs exceed project cost limitations. Reduce construction cost line items.
4. Total Rehabilitation Costs within Limits (Construction Costs):	NO	Rehabilitation Costs exceed limitations. Reduce Construction Cost line item amounts.
5. MHU Replacement Cost within limits:	NO	MHU Replacement Costs exceed limitations. Reduce Construction Cost line item amounts.
6. Construction Project Soft Costs within limits:	YES	
7. Acquisition Project Soft Costs within limits:	N/A	

- The “Eligibility Tests” section tests compliance with HOME rules based on activity type, special conditions, and applicable rule year.
- Red fields that read “NO” indicate the budget is non-compliant. The reason for non-compliance and suggested corrective action is provided.

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## “Notes” Section

Notes:  
Contingency is based on 5% of hard costs:  $\$68,000 \times 5\% = \$3,400$ . KLF 2/13/2013

- Use the “Notes” area at the bottom of the *Final Budget* tab to provide comments or further explanation, or to explain any discrepancies in the budget or financing that is neither HOME nor match.
  - Always initial and date comments provided in the “Notes” section.

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## Submit the Setup Request

- Electronically attach the Workbook to the HCS using the following naming convention:

### ***Household Name – Setup Workbook***

- Attach all other required setup support documents in bookmarked PDF format:
  - Loan Packet or Grant Packet (as applicable)
  - Setup Packet

ATTACHMENTS			
Type	Description	Path	
**Set-up Packet	Smith - Set-Up Workbook	//201302081358-New-SF-Draw-Workbook-For-Webinar.xls	<a href="#">View</a>  
**Set-up Packet	Smith - Set-Up Packet	//201302081404-Smith-Setup-Packet.pdf	<a href="#">View</a>  
**Set-up Packet	Smith - Loan Packet	//201302081406-Smith-Loan-Packet.pdf	<a href="#">View</a>  













- Click “Submit for Approval Without Saving”

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## TDHCA Reviews the Setup Workbook

- Your assigned HOME Program Performance Specialist will review the Workbook for completeness and accuracy
- Performance Specialist will:
  - Date and initial the approved Workbook
  - Lock the budget fields and protect the Workbook to ensure the integrity of the information provided
  - Attach the *staff-approved* Workbook to the project screen in HCS

ATTACHMENTS			
Type	Description	Path	
**Set-up Packet	Smith - Set-Up Workbook	//201302081358-New-SF-Draw-Workbook-For-Webinar.xls	<a href="#">View</a>  
**Set-up Packet	Smith - Set-Up Packet	//201302081404-Smith-Setup-Packet.pdf	<a href="#">View</a>  
**Set-up Packet	Smith - Loan Packet	//201302081406-Smith-Loan-Packet.pdf	<a href="#">View</a>  
**Set-up Packet	Smith - Approved Set-Up Packet - (Staff Initials)	//201302081508-Smith-Setup-Packet.pdf	<a href="#">View</a>  
**Set-up Packet	Smith - Approved Workbook - (Staff Initials)	//201302081507-App-Wkbk.xls	<a href="#">View</a>  
**Set-up Packet	Smith - Approved Loan Packet - (Staff Initials)	//201302081509-Smith-Loan-Packet.pdf	<a href="#">View</a>  

# Updated Setup and Draw Workbook

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## Submitting a Draw Request

- The “*Draw Request Instructions*” tab gives detailed instructions for completing the Draw Request tab.

Instructions for Submitting a Project Draw Request	
<ul style="list-style-type: none"><li>• Always use the most recent approved Workbook for each new draw request - do not submit a new Workbook.</li><li>• The previously approved Workbook for the initial draw is attached to the project screen in the Housing Contract System (HCS).</li><li>• The previously approved Workbook for each subsequent draw is attached to the draw screen for the project in HCS. For instance, if you are submitting the second draw for the project, access the approved Workbook in the attachments to the first draw for the project.<ul style="list-style-type: none"><li>• Draw Request tab tracks all funds drawn on project to date.</li></ul></li><li>• Submit the Workbook with each project draw by uploading it to HCS as a separate attachment to the draw.</li><li>• Upon approval of the draw, the line-items on the Draw Request tab will be locked/protected by the Performance Specialist.</li></ul>	
Match Section	
Column A: Date Match Provided	Enter the date match was provided to the project.
Column B: Cost Category	Use the drop-down menu to select the cost category for which match was provided.
Column C: Validation Type	Use the drop-down menu to select the validation type (HUD-1, Builder Invoice, Related Party Invoice, or Other Invoice)..
Column D: Payee	Enter the name of the Payee as it appears on the invoice.
Column E: Invoice #	Enter the Invoice Number.
Column F: Invoice Date	Enter the date of the invoice. The date should be within the contract period. If the invoice date is not within the contract period, the invoice should identify service dates that are within the contract period.
Column G: Budget Remaining	This is a self-populating column. This column pulls the match budget remaining in the Final Budget for the line-item selected.
Column H: Match Amount Provided	Enter the amount of match provided. This amount must correspond to the support documentation submitted, and may not exceed the match budgeted for the line-item in the Final Budget tab unless an activity revision is submitted.

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## Submitting a Draw Request (cont.)

- The “*Draw Request Support Document Checklist*” tab lists the forms and support documents required for a draw request.

<b>Draw Request Support Document Checklist</b>
Before you submit your draw request, ensure the following: <ul style="list-style-type: none"><li>• Loan/grant closing has been completed;</li><li>• All required documents have been properly executed and recorded, as applicable;</li><li>• All required loan/grant documents have been provided to TDHCA's Loan Closing Specialist;</li><li>• Single Audit requirements have been met and all required Single Audit documents have been submitted to TDHCA.</li></ul>
<b>DISBURSEMENT DRAW REQUEST (First and/or Interim)</b>
Enter the Draw Request (completed in HCS)
Final budget (tab in this Workbook)
Draw request (tab in this Workbook)
Match (Draw Request tab in this Workbook) and support documentation
HOME Application and Certification for Payment (tab in this Workbook)
For LOANS 2010 and 2012 Rules: Provide interim down-date endorsement to title policy thru date of previous hard cost draw request (not older than the date of the last disbursement of funds or forty-five (45) days, whichever is later); For GRANTS 2010 Rules: <ul style="list-style-type: none"><li>• If a title policy was purchased: Provide interim down-date endorsement to title policy thru date of previous hard cost draw request (not older than the date of the last disbursement of funds or forty-five (45) days, whichever is later); or</li><li>• If no title policy was purchased, or if title company will not provide a down-date endorsement: Provide Partial Release During Construction (Form 51-8 or Form 51-9, as applicable) executed by the builder.</li></ul> For GRANTS 2012 Rules: Provide either a down-date endorsement or the appropriate Partial Release Form 51-8 or 51-9.
Builder's itemized invoices for hard costs and documentation of payment to the builder
Soft cost documentation (itemized invoice, payroll, etc.)
Progress inspection(s)
Color photographs (interior and exterior) of the completed construction work for the time period reimbursement is being requested

# Updated Setup and Draw Workbook

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## Submitting a Draw Request (cont.)

- When you are ready to submit your first draw request, open the *staff approved* Workbook which is attached to the project screen in HCS
  - Do not re-submit a new Workbook for draw requests
  - Do not submit draw requests on a Workbook that is not “staff approved”
- Click on the “*Draw Request*” tab to enter your data
  - Complete yellow highlighted fields
  - Use drop-down boxes where provided
  - **DO NOT SKIP LINES**
  - Enter actual costs incurred – do not deduct retainage amounts
  - Attach support documents verifying line-item costs to the draw screen in the HCS





# Updated Setup and Draw Workbook

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## "Record of Draw Requests" Section

Draw Request Log										
Column A: Draw Req. #	Column B: Draw Req Date	Column C: Cost Category	Column D: Validation Type	Column E: Payee	Column F: Invoice #	Column G: Invoice Date	Column H: HOME Budget Remaining	Column I: Cost Incurred (Including Retainage)	Column J: Request Less Applicable Retainage	Column K: Required Retainage
1	01/30/13	Construction Costs	Builder Invoice	John Doe Builders	13322	01/15/13	\$ 75,000.00	\$ 16,000.00	\$ 14,400.00	\$ 1,600.00

- Column A - Draw Request Number: Use the drop-down menu to select the draw request number. If the draw includes retainage, select "Retainage" as the draw request number
- Column I - Cost Incurred – Enter the actual costs incurred
  - Do not deduct the retainage amount – the Workbook automatically calculates 10% for hard cost line-items only
- Attach support documents to HCS

# Updated Setup and Draw Workbook

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## Application and Certification of Payment

- Refer to the *App and Cert Instructions* tab for detailed instructions.

Application and Certification of Payment Tab Instructions	
• This tab must be completed at project draw.	
• Submission of this workbook certifies that the CA/RSP agrees to all provisions of the Application and Certification of Payment.	
Completion Instructions	
CA/RSP	Enter the full legal name of the Contract Administrator or Reservation System Participant. This is the name of the entity, such as City of Anson.
Date	Enter the date that the draw request is submitted for approval to TDHCA.
Household Name	This is a self-populating field.
Contract Number	This is a self-populating field.
Household Address	Enter the street address of the assisted unit.
Draw Request Number	This is a self-populating field. It will either be the highest draw request number from the Draw Request Tab, or it will read Retainage if this is the
Activity Number	Enter the five digit project number as it appears on the Housing Contract
Retainage Draw Information	
Is this the final draw with release of retainage?	Select "Yes" from the drop-down menu if the request includes retainage. For all other draws, select "No".
Are you seeking reimbursement for costs other than retainage with this final draw?	Select "Yes" from the drop-down menu if the request includes retainage AND reimbursement for other costs. For all other draws, select "No".
The remainder of this form self-populates with the total amount of funds that are being requested with the draw. Carefully examine the form, including the Certification section, prior to submission of the draw.	

# Updated Setup and Draw Workbook

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## Application and Certification for Payment Tab

- Enter data and answer questions using drop-down boxes where provided:
  - Administrator name
  - Date of draw request
  - Household address
  - Project number
  - Use drop-boxes to answer questions
- Provides the Administrator's *certification* that information provided is accurate

HOME Application and Certification of Payment	
CA/RSP:	<input type="text"/>
Household Name:	<input type="text"/>
Household Address:	<input type="text"/>
Project Number:	<input type="text"/>
Date	<input type="text"/>
Contract/RSP Number	0
Draw Request Number	0
Was retainage already drawn?	<input type="text"/>
Retainage Draw Information	
Is this the final draw with release of retainage?	<input type="text"/>
Are you seeking reimbursement for costs other than retainage with this final draw?	<input type="text"/>
Total Budget	\$ -
Committed HOME Funds	\$ -
Cumulative Amount Disbursed to Date	\$ -
Retainage Withheld	\$ -
AVAILABLE BALANCE	\$ -
Costs incurred during period	\$ -
Less Retainage (10%)	\$ -
Amount requested for Draw Number 0	\$ -
Total Match Required	\$ -
Match Provided to Date	\$ -
Balance of Match	\$ -

# Updated Setup and Draw Workbook

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## TDHCA Reviews the Draw Request

- Refer to *Draw Request Checklist* tab for support documents to be submitted to TDHCA
- Performance Specialist will:
  - Review the data and support documents submitted
  - Approve, Deficiency, or Disapprove the draw request
  - Initial and date approved line-items
  - Attach the staff-approved Workbook to the draw request entered in HCS

# Updated Setup and Draw Workbook

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## Subsequent Draw Requests

- Open the previous staff-approved Workbook that was attached to the previous draw request in HCS
  - Do not re-submit a new Workbook for subsequent draw requests
  - Do not submit draw requests on a Workbook which is not identified as “staff approved”
- Click on the “*Draw Request*” tab to enter your next draw request data
  - **DO NOT SKIP LINES** when entering new data in the Workbook
  - Enter actual costs incurred
  - Attach all required support documents verifying incurred costs to HCS
- Ensure the *App and Cert of Payment* tab is completed properly

Column A: Draw Req. #	Column B: Draw Req Date	Column C: Cost Category	Column D: Validation Type	Column E: Payee	Column F: Invoice #	Column G: Invoice Date	Column H: HOME Budget Remaining	Column I: Column I: Cost Incurred (Including Retainage)	Column J: Request Less Applicable Retainage	Column K: Required Retainage	NOTES Possible	Duplicate Checked	Approval Initials (TDHCA USE)	Approval Date (TDHCA USE)
1	01/30/13	Construction Costs	Builder Invoice	John Doe Builders	13322	01/15/13	\$ 75,000.00	\$ 16,000.00	\$ 14,400.00	\$ 1,600.00	None	Y	LL	02/04/13
2	02/20/13	Construction Costs	Builder Invoice	John Doe Builders	13327	02/15/13	\$ 59,000.00	\$ 42,000.00	\$ 37,800.00	\$ 4,200.00	None	Y	LL	02/23/13
Retainage	04/20/13	Construction Costs	Builder Invoice	John Doe Builders	14226	04/15/13	\$ 17,000.00	\$ 17,000.00	\$ 15,300.00	\$ 1,700.00				
Retainage	04/20/13	Additional Site Work	Other Vendor Invoice	City of Administrator	224	12/12/13	\$ 2,000.00	\$ 2,000.00	\$ 1,800.00	\$ 200.00				
Retainage	04/20/12	Construction Project Soft Costs (non LBP)	Other Vendor Invoice	Grant Administrators, Inc	16222	04/30/13	\$ 7,200.00	\$ 7,200.00	\$ 7,200.00	\$ -				

# Updated Setup and Draw Workbook

*Because there's no place like HOME.*

## Submitting the Retainage Request

- Open the “App and Cert of Payment” tab
  - Answer: “Is this the final draw with release of retainage?” Yes
  - Answer: “Are you seeking reimbursement for other costs?”
    - If retainage only, “No”
    - If soft costs or other project costs are included in the draw, “Yes”

HOME Application and Certification of Payment	
CA/RSP: City of Administrator	Date: 1/30/2013
Household Name: Smith	Contract/Reservation Number: 1001600
Household Address: 555 Main Street	Draw Request #: Retainage
Activity Number: 0	Has retainage already been drawn?

Retainage Draw Information	
Is this the final draw with release of retainage?	Yes
Are you seeking reimbursement for costs other than retainage with this final draw?	Yes

Total Budget	\$ 92,200.00
Committed HOME Funds	\$ 83,700.00
Cumulative Amount Disbursed to Date	\$ 52,200.00
Retainage Withheld	\$ 7,700.00
<b>AVAILABLE BALANCE</b>	<b>\$ 23,800.00</b>
Costs incurred during period	\$ 24,300.00
Plus Retainage	\$ 7,700.00
<b>Amount requested for Draw Number Retainage</b>	<b>\$ 32,000.00</b>
Total Match Required	\$ 8,500.00
Match Provided to Date	\$ 2,000.00
Balance of Match	\$ 6,500.00

# Updated Setup and Draw Workbook

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## Submitting the Retainage Request (cont.)

- Refer to *Draw Request Checklist* tab for support documents to be submitted to TDHCA
- Enter Project Completion Report (PCR) data in HCS
- Enter Contractor/Subcontractor/HUB Report data in HCS
- Complete the *Section 3* tab in Workbook

# Updated Setup and Draw Workbook

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## Budget Revisions

- Refer to the “*Budget Revision Instructions*” tab for detailed instructions
- In the event budgeted line-items must be changed or amounts reallocated within the approved Workbook, use the “*Budget Revisions*” tab to enter change data
- Revisions which increase the total amount of funds budgeted to the project are not permitted on the Workbook
  - Contact your Performance Specialist for guidance
- Usage of the budgeted contingency is permitted *only with a Budget Revision re-allocating the contingency funds to another line item*
- If a bid was not submitted at setup (i.e. the builder was not yet procured), a Budget Revision must be completed if the accepted builder’s bid differs from the previously provided estimated budget.



# Updated Setup and Draw Workbook

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## Budget Revisions (cont.)

- Up to 4 separate Budget Revisions may be submitted on a Workbook
  - Contact your Performance Specialist for assistance if you need additional lines within a Change Order section
- Column A: Use the drop-down box to select the line-item to be changed
- Column B: Workbook self-populates the previously approved amount for that line-item
- Column C: Enter the revised cost amount for the line-item
- Column D: Workbook self-populates the percentage change requested
- Column E: Enter the date of the Budget Revision request
- Column F: Enter the reason for the changes requested

# Updated Setup and Draw Workbook

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## Budget Revisions (cont.)

Change Order 1						
Column A: Line Item	Column B: Approved Cost Estimate	Column C: Revised Cost Estimate	Column D: % Change	Column E: Date	Column F: Reason for Change	Column G: TDHCA Acceptance
Construction Costs	\$ 80,000.00	\$ 81,000.00	1.25%	4/12/2013	Household needed additional accessibility features that were not included in the initial bid.	LL
Contingency	\$ 1,500.00	\$ 500.00	-66.67%			Date
						4/30/2013
TOTAL for Change Order 1:	\$ 81,500.00	\$ 81,500.00	0.00%			

- Notify your Performance Specialist that a Budget Revision has been entered in the Workbook and is attached to HCS
- Performance Specialist will review and approve the change orders and adjust the line-items in the *“Final Budget”* tab

# Updated Setup and Draw Workbook

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## Section 3 Reporting

- Refer to the “Section 3 Report Instructions” tab for detailed instructions.
- The Section 3 Report must be submitted to process the retainage draw.

Section 3 Report Instructions	
• This tab must be completed at the time that the request for release of retainage is submitted.	
General Information Section	
Contract Administrator	This field self-populates from the Application and Certification of Payment tab.
Contract Administrator Address	Enter the Contract Administrator street address
City and State	Enter the Contract Administrator City and State
Date Report Submitted	Enter the date the report is submitted.
Federal Identification (grant no.)	This field self-populates from the Final Budget tab.
Contact Person	Enter the name of the employee of the CA/RSP who is responsible for the completion and submission of the Section 3 Report.
Length of Grant	Enter the term of the grant. The length of grant should start at the beginning of the Contract or Resevaion System Participation Agreement and end on the date of the Final Retainage draw for this activity.
Program Code	This field is automatically populated and will read "5".
Total Amount of Award	Enter the total amount of project funds expended on the project, including hard and soft costs.
Phone: (Include area code)	Enter the telephone number, including the area code, of the employee of the CA/RSP who is responsible for the completion and submission of the Section 3 Report.
Reporting Period:	Enter the Reporting Period for the project. The Reporting Period should should start at the beginning of the Contract or Resevaion System Participation Agreement and end on the date of the Final Retainage draw for this activity.
Program Name:	This field is automatically populated and will read "HOME".
Part I: Employment and Training Completion Instuctions	
Column A: Job Category	This is a listing of common job categories for Section 3 hires. There are additional categories at the end of the list marked "Other (please specify)". If the category for which a Section 3 hire was made is not listed in the predetermined

# Updated Setup and Draw Workbook

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## Recap of Changes to the Workbook

- The number of required hard cost line-item entries for the Final Budget has been significantly reduced. However, the support documents provided (i.e. builder's bid or work write-up/cost estimate) must identify detailed line-item costs for specific construction costs, including but not limited to:
  - Foundation
  - Framing
  - Exterior finishes
  - Plumbing
  - Electrical
  - Doors/Windows
  - Roofing
  - Interior finishes
  - Fixtures
  - Appliances
  - HVAC
  - Insulation
  - Flooring
  - Flat work

# Updated Setup and Draw Workbook

*Because there's no place like HOME.*

## Recap of Changes to the Workbook (cont.)

- The number of required soft cost line-item entries for the Final Budget has been significantly reduced. However, the support documents provided (i.e. soft cost invoices, consultant invoices, payroll documents, etc.) must identify detailed line-item costs for specific soft costs, including but not limited to:
  - Application Intake processing
  - Information services
  - Credit report
  - Environmental review
  - Procurement of contractor
  - Preconstruction conference
  - Document preparation
  - Work write-up and cost estimate
  - Construction/Disbursement documents
  - Plans / Specifications
  - Initial inspection
  - Progress inspections
  - Final inspection

# Updated Setup and Draw Workbook

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## Recap of Changes to the Workbook (cont.)

- Instructions are included for all required tabs
- Do not skip lines when entering data in the Workbook
- Workbook accommodates 2010 and 2012 Rules
  - 2010: Budget compliance is based on Column A of Final Budget
  - 2012: Budget compliance is based on Column B of Final Budget
- New required fields in Final Budget tab:
  - Pre-Rehab Value of Unit
  - Additional site work for accessibility
  - Remediation of LBP
- Eligibility Tests section explains deficiency and suggests resolution

# Updated Setup and Draw Workbook

*Because there's no place like HOME.*

## Recap of Changes to the Workbook (cont.)

- Budgeted line-items must agree with the accepted builder's bid
  - If the work write-up/cost estimate was used to set up the project, submit a Budget Revision with the first draw request if the accepted bid differs from the write-up/cost estimate
- Use the most recent staff-approved Workbook attached to HCS
  - Do not submit a new Workbook for each draw request
  - Do not submit draw data in a non-staff-approved Workbook
- Draw requests must be for the actual costs incurred

# Updated Setup and Draw Workbook

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## Recap of Changes to the Workbook (cont.)

- Funds cannot be drawn from the Contingency line-item.
  - In order to draw funds designated as “Contingency,” you must use the Budget Revision tab to re-allocate costs incurred, subtracting from the Contingency line-item and adding to the appropriate HOME-eligible line-item.
- Budget Revision tab can only accommodate line-item re-allocations
  - Changes resulting in an increase to the total project budget are not permitted on the Workbook – contact your Performance Specialist for guidance



# Updated Setup and Draw Workbook

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## Recap of Changes to the Workbook (cont.)

- The Application and Certification for Payment provides certification that information you have submitted is true and correct – ensure your data is accurate!
- *Section 3 Report* tab must be completed with the retainage draw request
- When the Performance Specialist reviews and approves a Workbook, the document will be locked and protected so that no changes can be made to the submitted data
- Begin using the updated Workbook for new setups **March 1, 2013**

# Updated Setup and Draw Workbook

*Because there's no place like HOME.*

## Thank You!

- Thank you for participating in our HOME Program webinar!
- Please contact your Performance Specialist if you have further questions or need additional assistance.