

Chapter 8

SECTION 108 LOANS

This chapter explains how to set up, fund, draw funds, and report accomplishments for Section 108 Loan Guarantee program activities. Because these functions are very nearly identical to CDBG activity processing, only the differences will be described here. For an overview of Section 108 loan processing in IDIS, please see the [Section 108 Loan Guarantee Quick Start Guide for IDIS Online](#).

Section 108 loan funds are available to commit and draw only if the loan has been loaded into IDIS. Use the View Loan function to confirm that a loan has been loaded.

VIEW LOANS

To view basic information about a loan, click the Funding/Drawdown tab at the top of any page and then click the Section 108 [Search](#) link. The Search Loans screen is displayed:

Enter as many or few search criteria as you wish to retrieve the loan(s) to be viewed, and then click the [Search] button to display the results:

Receipt
View Receipt Accounts

Search Criteria

Program: Grant Year / Program Year of Receipt: (tip) Fund Type:

Receipt Created For: State/Territory: Associated Grant #:

Results Page 1 of 6

Program	Source Type	Grant Year / Program Year of Receipt (tip)	Fund Type	Associated Grant #	From Organization	Receipt Created For	State	Amount	Sub Allocated	Committed
CDBG	MC	2015	RL	B-15-MC-36-0110	HUD	UTICA	NY	\$14,198.66	\$0.00	
CDBG	MC	2015	PI	B-15-MC-36-0110	HUD	UTICA	NY	\$24,509.44	\$0.00	
CDBG	MC	2014	PI	B-14-MC-36-0110	HUD	UTICA	NY	\$174,873.66	\$0.00	
CDBG	MC	2014	RL	B-14-MC-36-0110	HUD	UTICA	NY	\$76,805.70	\$0.00	
CDBG/ 108 Loan /B-94-MC-36-0110	MC	2014	SI	B-94-MC-36-0110	HUD	UTICA	NY	\$6,814.23	\$0.00	
CDBG/ 108 Loan /B-94-MC-36-0110	MC	2013	SI	B-94-MC-36-0110	HUD	UTICA	NY	\$28,404.68	\$0.00	
CDBG	MC	2013	LA	B-13-MC-36-0110	HUD	UTICA	NY	\$8,064.50	\$0.00	
CDBG	MC	2012	RL	B-12-MC-36-0110	HUD	UTICA	NY	\$270,211.44	\$0.00	
CDBG	MC	2012	PI	B-12-MC-36-0110	HUD	UTICA	NY	\$26,170.23	\$0.00	
CDBG	MC	2012	LA	B-12-MC-36-0110	HUD	UTICA	NY	\$5,908.75	\$0.00	

1 2 3 4 5 6 Next 10 Results

Click the [View](#) link in the last column of the results table to display the View 108 Loan screen:

Section 108 Loan

View 108 loan

Save | Cancel | View Activities

***Indicates Required Field**

***Loan#:**
B-14-MC-49-0001

Status:
Active

***Recipient Organization**
OGDEN

Loan 108

*Amount: \$3340000	*Approval Date: 08/15/2014 <input type="button" value="c"/> <small>(mm/dd/yyyy)</small>	Cancellation Date: 09/30/2019 <input type="button" value="c"/> <small>(mm/dd/yyyy)</small>
------------------------------	--	---

Amount Committed to Activities:	\$0.00
Drawn Amount:	\$0.00

Save | Cancel | View Activities

Field	Description
Loan #	The CDBG grant to which the loan guarantee is related. In instances where more than one loan is backed by the same grant, a one-letter suffix is appended to the number of all but the first loan.
Recipient Organization	The entitlement grantee.
Status	Either Active or Cancelled .
Amount	The total amount of this loan.
Approval Date	The date this loan was approved.
Cancellation Date	The expiration date of this loan. Loan funds cannot be committed or drawn after this date.
Amount Committed to Activities	The amount of this loan that has been committed to activities to date.
Drawn Amount	The amount of this loan that has been drawn down to date.

To exit the View 108 Loan screen, click the [Cancel] button.

ADD PROJECT

To add the project under which you will set up your Section 108 Loan activities, follow the steps on pages 2-1 through 2-3. The project should be added to the PROGRAM YEAR in which the 108 loan approval was received. When filling in the Add Project screen, be sure to specify an estimated amount in the SECTION 108 LOAN AMOUNT field:

Project

Add Project

Save | Reset

*Indicates Required Field

Grantee/PJ Name:
OGDEN

Program Year

*Program Year: Add New Program Year:

(ex: yyyy)

IDIS Project ID:

*Project Title:

Grantee/PJ Project ID:

Description:

Allow Another Organization to Set up Activities under this Project: [i](#)

Assign Sponsor for this Project (only for HOPWA or HOPWA-C programs): [i](#)

Grant # (only for HOPWA-C program):

Estimated Amount (Including Program Income)	
Section 108 Loan amount	\$ <input type="text" value="0.00"/>
CDBG	\$ <input type="text" value="0.00"/>
HOME	\$ <input type="text" value="0.00"/>
ESG	\$ <input type="text" value="0.00"/>
HOPWA	\$ <input type="text" value="0.00"/>
CDBG-R	\$ <input type="text" value="0.00"/>
HPRP	\$ <input type="text" value="0.00"/>
TCAP	\$ <input type="text" value="0.00"/>
HESG	\$ <input type="text" value="0.00"/>
HOPWA-C	\$ <input type="text" value="0.00"/>
Total	<input type="text" value="0.00"/>

Save | Reset

Once the project has been added, the Section 108 Loan activities can be set up.

ACTIVITY SETUP

To set up an activity that is to be funded with Section 108, change the WILL THIS ACTIVITY USE SECTION 108 LOAN? field on the Add Activity screen to “Yes” by clicking the [Change answer] button:

Activity

Add Activity

Save | Cancel

*Indicates Required Field

*Activity Owner: Grantee/PJ Activity ID:

*IDIS Project ID/Project Title (Program Year):

*Activity Name:

Activity	*Activity Category	Ready to Fund	Setup Detail
CDBG	Will this activity use Section 108 loan?* No <input type="button" value="Change answer"/> None	No	<input type="button" value="Add CDBG"/>
HOME	None	No	<input type="button" value="Add HOME"/>

*Environmental Review: Allow Another Organization to Access this Activity: (tip)

HEROS Environmental Review ID Comments (tip)

Activity Description:

Changing this field to “Yes” makes the Section 108 fund types available as a funding source for the activity, and also limits the choices on the ACTIVITY CATEGORY dropdown to Section 108-eligible matrix codes. Three of the codes are specific to Section 108 activities, while the other matrix codes can also be funded with EN or PI:

- 24A Payment of interest on Section 108 loans
- 24B Payment of costs of Section 108 financing
- 24C Debt service reserve

Except for these differences, the Add Activity screen is filled in the same as for other CDBG activities (see Chapter 3 for instructions).

For a 24A, 24B, or 24C activity, there are no additional screens to complete. Click the [Save] button. The screen is redisplayed in edit mode, and the activity is ready to be funded. For other matrix codes, fill in the CDBG setup detail screens exactly as you would for non-Section 108 activities (see Chapter 4 for detailed instructions).

RECEIPTING LOAN INCOME

Please see Chapter 7 for instructions on receipting Section 108 Loan program income.

REPORTING ACCOMPLISHMENTS

Accomplishments and performance measures for a Section 108 loan-funded activity are reported exactly as they are for a CDBG activity. For details, see Chapter 9 and, depending on the national objective assigned to the activity, Chapters 10-14. Like CDBG administrative activities, there are no accomplishment screens for activities with a matrix code of 19F, 19G, or 24A-24C.

The final step in the completion process of every Section 108 loan-funded activity is to update the activity status to Completed. Please turn to page 3-10 for instructions.

Chapter 9

ACCOMPLISHMENT REPORTING

Accomplishments must be reported for all CDBG activities except those that do not meet a national objective (activities with a matrix code of 19F, 19G, 20, 21*, 22, or 24A-24C).

HUD urges you to report activity accomplishments as they are realized, but at least quarterly. You are required to report accomplishments for each program year the activity is open and at activity completion. The only exception to quarterly/annual reporting is public facilities, which should not be reported until the facility is complete.

Follow the instructions on page 3-5 to access the activity for which accomplishments are to be reported. On the Edit Activity screen (see page 3-7), click the [Add CDBG Accomp.] or [Edit CDBG Accomp.] button to access the accomplishment screens for the activity. Fill in these screens with annual accomplishments for every year the activity is open. Do not input cumulative accomplishments.

The accomplishment screens that you will be required to complete depend on the national objective you have assigned to the activity:

If the national objective is...	Turn to...
LMA*	Chapter 10
LMC*	Chapter 11
LMH*	Chapter 12
LMJ*	Chapter 13
SBA, SBR, SBS, URG	Chapter 14

The importance of providing HUD with accurate accomplishment data on a timely basis cannot be overemphasized. Failing to do so results in the underreporting of CDBG accomplishments to Congress, the Office of Management and Budget, and other Federal oversight agencies, and may put future funding of the program at risk.