

## MEMORANDUM FOR ALL BEA PROGRAM AWARDEES

**FROM:** Margaret Nilson  
Depository Institutions Manager

**SUBJECT:** BEA Program Award Disbursement Process

**DATE:** April 16, 2002

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As you know, the CDFI Fund disburses on BEA Program awards as the awardee disburses on the transactions on which the award is based (i.e., "Qualified Activities"). Awardees have three years in which to fully disburse on their Qualified Activities and five years in which to request the corresponding disbursements on their BEA Program award. In the past, awardees have been able to submit requests for disbursements anytime during the 5-year period. In order to introduce clarity to this process, the Fund is now adopting a Subsequent Disbursement Process, as described below. The Fund strongly encourages awardees to submit subsequent disbursement requests as soon as possible after they have fully disbursed on their Qualified Activities.

To facilitate the subsequent disbursement process, the Fund is providing each awardee with an update regarding the outstanding balance on their BEA Program Award (enclosed) as well as their assigned staff contact person. Please note that due to the recent internal reorganization, the staff contact person may be different from whom the awardee has work in the past.

Awardees may submit a subsequent disbursement request in response to this letter by completing the attached Subsequent Disbursement Request Form and, if necessary, the Certification of Disbursement. These materials are also available on the Awardee page of the Fund's website: [www.cdfifund.gov](http://www.cdfifund.gov). Please send the completed materials to the Fund to the attention of the Depository Institutions Manager. The Fund will *not* be sending the email notification as described below for this quarter.

Please note that this package has been sent to both the Authorized Representative and the Contact Person identified by the awardee. If you have any questions with regards to this process, please contact Margaret Nilson, the Depository Institutions Manager, at 202-622-8662.

### **BEA PROGRAM SUBSEQUENT DISBURSEMENT PROCESS:**

1. The Fund will process disbursements under the BEA Program quarterly.
  - a. On the first business day of the first month of each calendar quarter (for the rest of 2002 the dates will be: July 1 and October 1), the Fund will send an email to all BEA Program awardees that have not yet received the full amount of their award. The email will explain the subsequent disbursement request process and include a Subsequent Disbursement Request Form (as a Word attachment). The email will refer awardees to the BEA Program page of the website for additional information as well as an electronic version of the Subsequent Disbursement Request Form. The email will also indicate the awardee's staff contact person. Awardees are encouraged to refer questions to this staff contact. For awardees that do not have email addresses, the Fund will send a letter.

- b. If the awardee would like to request a disbursement for that quarter, it must return the completed Subsequent Disbursement Request Form and the appropriate documentation (see below) by the last business day of the first month of the quarter (for the rest of 2002 the dates will be: April 30, July 31, and October 31).
  - c. Disbursement request forms that are not submitted in a timely fashion or lack adequate back-up documentation will be held until the next quarter.
  - d. The Fund will process disbursements by the last business day of the last month of the quarter (for the rest of 2002 the dates would be: June 30, September 30, and December 31).
2. Other than the first and last disbursements of a BEA Program award, for the Fund to process a disbursement, the request must be the greater of \$10,000 *or* 20% of the total award amount. For awards of less than \$10,000, the request must be at least 50% of the total award amount.
3. The disbursement request must include the following documentation and information:
  - a. For loans under \$250,000, the awardee must submit a list that provides the following information: Loan Identifier (Borrower Name or Number), Type of Transaction, Original Amount of the Transaction, Increase in the Amount Disbursed on the Transaction (since the previous disbursement). The Subsequent Disbursement Request form incorporates this information. Awardees may complete this form or provide a separate list with the exact same information.
  - b. For loans of \$250,000 or more, the awardee must submit a list that provides the following information: Loan Identifier (Borrower Name or Number), Type of Transaction, Original Amount of the Transaction, Increase in the Amount Disbursed on the Transaction (since the previous disbursement). The awardee must also provide evidence of disbursement such as a copy of a check or a wire transfer receipt. If neither is available, the awardee may provide a loan account summary (or other internal record of the account) or a request for the wire transfer along with a signed Certification of Disbursement (found in the BEA Final Report or on the BEA Page of the website). The Subsequent Disbursement Request form incorporates this information. Awardees may complete this form or provide a separate list with the exact same information.
4. Awardees will send disbursement requests to the attention of the Depository Institutions Manager. At the same time, awardees will be asked to send an email to their BEA staff contact notifying them that they have submitted a subsequent disbursement request.
5. The BEA staff reviewer is responsible for reviewing the adequacy of back up documentation and contacting the awardee if clarification or further documentation is necessary. Within 5 to 10 business days of receiving the assignment, the staff reviewer will initiate the subsequent disbursement process, which involved signatures by the Depository Institutions Manager and the Deputy Director for Policy and Programs and then processing by the Awards Manager and the Financial Manager.

Attachments:

Status of BEA Program Awards

Subsequent Disbursement Request Form

Certification of Disbursement