

ANNUAL REPORT FOR EDA-FUNDED RLF GRANTS

Grantee Name: _____
Ending: _____

Period

Project No.: _____

Contact Person: _____

Phone: _____

A. PORTFOLIO FINANCIAL STATUS		
1. Total RLF Funding (EDA + Matching funds)	\$	
2. Total RLF Income Earned	\$	
3. Total RLF Income Expended for Administrative Costs	\$	
4. RLF Income in #2 that is set aside for Current Period Expenses	\$	
5. Total Losses on Direct and Guaranteed Loans	\$	
6. RLF Capital Base [(1+2) less (3+4+5)]	\$	
7. RLF Loan Principal Outstanding	\$	
8. RLF \$\$ Reserved for Guarantees	\$	
9. RLF Loan Commitments Not Disbursed	\$	
10. RLF Capital Utilized [7+8+9]	\$	
11. RLF Capital Utilization Rate [10 / 6]		%
12. Same as #11 but for Preceding 6-Month Period		%

B. RECENT LOAN ACTIVITY (Last 12 Months Only)	
13. # Applications Received	
14. # Loans Closed	

C. Portfolio Status		
<i>DIRECT LOANS:</i>		
15. a. Total RLF \$\$ Loaned	\$	
b. Total # Loans made by the RLF		
16. Total Active Loans	\$	
17. Principal Outstanding		
a. Current Loans	\$	
b. Delinquent Loans (<60 days)	\$	
c. Delinquent Loans (>60 days)	\$	
18. Total Written-Off	\$	
19. Total Non-RLF \$\$ Leveraged by RLF & Leverage Ratios		
a. Private	\$	
b. Other	\$	
c. Total Leveraged (Private + Other)	\$	
<i>GUARANTEED LOANS:</i>		
20. Current RLF \$\$ Exposed (<i>active loans only</i>)	\$	
21. RLF \$\$ Reserved (<i>active loans only</i>)	\$	
22. Total # of Actual Jobs Created and Saved		

D. ADMINISTRATION	
[circle or complete as appropriate]	
23. Any key Staff Turnover last 12 Months? List position(s):	Yes No
24. Indicate the ending period of the most recent independent Audit covering the recipient and whether Single or Program Specific Audit.	
25. Attach the Audit in #24 if it was not previously submitted to EDA	
26. If the Audit in #24 did not cover either the most recent or the prior fiscal-year period, is an explanation attached? (<i>Circle One</i>)	Yes No Not Applicable
27. Enter the ending date of the accounting period which has been selected to determine the amount reported in #4 above in accordance with 13 CFR §308.14 (c)(1).	

E. CAPITAL UTILIZATION <i>(13 CFR §308.17 Effective Utilization of Revolving Loan Funds)</i> [circle or complete as appropriate]	
28. If the percentages in both #11 and #12 above are less than 75%, is an explanation attached discussing proposed actions (including target dates and goals) to reduce the amount of excess funds on hand?	Yes No
29. If both #11 and #12 are less than 75%, list the amount of excess funds subject to sequestration.	\$ <input style="width: 50px;" type="text"/>
30. List any amount in #28 that has been sequestered in a separate account.	\$ <input style="width: 50px;" type="text"/>
F. ANNUAL RLF PLAN CERTIFICATION <i>(13 CFR §308.14 (b))</i> [circle or complete as appropriate]	
31. Is the required <i>ANNUAL</i> RLF Plan Certification attached? If "no," indicate the date it will be submitted: _____	Yes No

CERTIFICATION: I hereby certify on this ____ day of _____, 19____, that the information provided in this Annual Report is true and correct to the best of my knowledge.

 NAME AND TITLE OF AUTHORIZED OFFICIAL

 SIGNATURE (Authorized Official)

Check Attachments Submitted:

- _____ Capital Utilization (#28 above)
- _____ Copy of Audit (#25)
- _____ Audit Explanation (#26)
- _____ Annual RLF Plan Certification (#31)

Notwithstanding any other provision of the law, no person is required to respond to, nor shall any person be subject to penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act, unless that collection of information displays a currently valid OMB Control Number. The OMB Approval Number for this collection is 0610-0095.

The information is required to ensure proper monitoring and compliance with program and administrative requirements pursuant to the Public Works and Economic Development Act of 1965, as amended (Public Law 89-136, 42 U.S.C. § 3121, et seq.), and as further amended by the Economic Development Administration Reform Act of 1998 (Public Law 105-393). No confidentiality for the information submitted is promised or provided except that which is exempt under 5 U.S.C. 552(b)(4) as confidential business information.

The public reporting burden for this collection is estimated to average 12 hours per response including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Economic Development Administration, Herbert C. Hoover Building, Washington, DC, 20230, and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

INSTRUCTIONS FOR COMPLETION OF EDA's ANNUAL REPORTS FOR REVOLVING LOAN FUND GRANTS

These instructions are for completion of the **Annual Report** form for EDA revolving loan fund (RLF) grants. The Annual Report is an abbreviated version of the Semiannual Report. RLF grantees that are reporting on a semiannual basis are eligible to apply for graduation to this streamlined report one year after full disbursement of the initial round of RLF capital. (*See 13 CFR §308.14 (a)*)

A. PORTFOLIO FINANCIAL STATUS AND CAPITAL UTILIZATION

1. Enter the *total funds* committed to the RLF. Outside of EDA funds, matching funds may include funds provided solely by the grantee or from other sources, e.g., CDBG, state or private donations for the specific use of the RLF. Exclude any funding commitments that may have been removed from the RLF, as approved by EDA.
2. Enter the Total RLF Income earned by the RLF to date. RLF Income, as defined in 13 CFR §308.8, includes:
 - a. Total interest earned directly from RLF loans.
 - b. Interest earned from deposits and investments of:
 - RLF loan payments, including principal and interest;
 - RLF loan fees, including origination, servicing and processing fees. late fees and penalties; and
 - Advances of local matching funds and EDA funds. EDA funds must be timed to meet the actual, immediate disbursement needs of the RLF borrowers. Otherwise, grant funds plus any interest earned therein must be returned to EDA. (*Note that grantees may deduct and retain a portion of such earned interest for administrative expenses up to the maximum amounts allowed under either 15 CFR Part 24 or 15 CFR Part 14, as applicable.*)
3. Enter the amount from A.2. that has been used to cover eligible RLF administrative expenses to date. (Time cards are to be maintained for all direct labor costs charged against RLF Program Income. If indirect costs are charged against the RLF, the grantee must have an indirect cost allocation plan). *In as much as RLF administrative costs can only be reimbursed from RLF income earned in the same accounting period, available RLF income earned in a current period may be set aside for administrative costs which will be incurred over the remainder of the period (Refer to 13 CFR §308.12 for additional information).*

4. Enter the amount of any available RLF Income earned in a current period which may be set aside for future administrative costs incurred over the remainder of the period. If, however, the selected period ends on September 30, funds can not be set aside without EDA approval since any RLF Income that is not used for administrative costs during the period in which it is earned must be added to the RLF Capital Base at the end of the period.
5. Enter the cumulative Losses on Direct and Guaranteed Loans for those loans written-off.
6. Calculate the current level of the RLF's Capital Base by adding the amounts entered in #1 and #2, and subtracting from this sum the amounts in #3, #4 and #5. The RLF Capital Base represents the aggregate amount of capital potentially available for lending.
7. Enter the amount of Loan Principal Outstanding on Direct RLF Loans.
8. Enter the amount of RLF dollars that are required to be set aside or reserved for RLF guarantees of other loans. If not applicable, enter N/A.
9. Enter the aggregate amount of RLF funds that have been approved and *committed* but not closed nor disbursed.
10. Calculate the amount of RLF Capital Utilized, i.e., RLF capital outstanding and committed, by summing the amounts in #7, #8 and #9.
11. Calculate the RLF Utilization Rate by dividing #10 (RLF Capital Utilized) by #6 (RLF Capital Base). This indicates the percentage of RLF capital in use for comparison with the Capital Utilization Standard as discussed in 13 CFR §308.17. Persistent noncompliance with the Standard could require sequestration of excess funds, remittance of interest earned on sequestered funds, and eventual loss of excess funds if not placed in use within a reasonable period of time.
12. The RLF Capital Utilization Rate is calculated every six months for the periods ending March 31 and September 30, in accordance with 13 CFR §308.17.

B. RECENT LOAN ACTIVITY

- 13-14. As appropriate, enter the number of applications received and loans closed for the last 12 month period.

C. PORTFOLIO STATUS

15. Enter the total number and original dollar amount of all RLF loans made to date.
16. Enter the amount of principal outstanding for Total Active Loans. (*Total Active Loans are defined as **direct loans** that are either current, delinquent or in default - exclusive of loans that have been fully repaid or written off*).
17. For active loans only, enter the principal outstanding on direct loans that are current and those that are delinquent. Segregate delinquent loans into two categories, those less than or equal to 60 days past due and those more than 60 days past due. For this report, a "delinquent" loan is defined as one that is *up to 60 days past due*. (If a previously delinquent borrower is now

current, or making payments in accordance with an amended note and payment schedule, show this loan as current).

18. Enter the total principal balance outstanding on direct loans written-off or the actual amount lost, whichever is smaller.
19. Enter the total non-RLF dollars leveraged (Private & Other) and corresponding leverage ratios in conjunction with the RLF direct loans. Unless stipulated otherwise in the grant agreement, RLF loans must be used to leverage private investment of at least two dollars for every one dollar of RLF investment. Private dollars leveraged include private financing and private investments provided to the “project” in which the RLF is an integral component. A project is defined as an activity consisting of interrelated components which share a common goal. Private investments include both cash provided to the project and donated assets which come from outside the borrowing enterprise. For donated assets, only the equity in the assets (defined as the assets’ market value less any security interest) may be counted in the leverage ratio. For purposes of calculating private dollars invested, 90 percent of the guaranteed portions of SBA 7 (a) and SBA 504 debenture loans may be included. As a reminder, the RLF must fill a legitimate financing gap in the project for the private funds to be considered “leveraged dollars”.

Other investments leveraged by the RLF in the project may include other non-RLF dollars such as HUD-CDBG, USDA-IRP loans, etc.

20. For active loans provided by other lenders and guaranteed by the RLF, enter the contingent liability of the RLF on outstanding loan principal, i.e., the current RLF exposure on all active RLF guarantees. This amount is usually computed by multiplying the percent of the original guarantee by the outstanding loan balance.
21. For active loans provided by other lenders and guaranteed by the RLF, enter any amounts of RLF funds that are actually set aside and held in reserve to cover any losses on guaranteed loans.
22. Enter the total number of jobs created and saved over the life of the RLF. In tallying jobs, only *permanent* and *direct* jobs may be counted; *part-time* jobs should be converted to full-time equivalents (by summing the total hours worked per week for all part-time employees and dividing by the standard hourly work week for full-time employees, normally 35-40 hours). Job information data should be collected at least annually. For seasonal businesses, more frequent collection of job data is usually necessary to obtain realistic employment figures for an annualized average.

Grantees should use the following definitions in completing the job information section of this report:

- a. Actual Created Jobs: A job is counted as “created (actual)” if it was created as a result of and attributable to the RLF loan project, and has been *verified* by the borrower (or grantee) to complete a questionnaire at least on an annual basis indicating the number of jobs actually created and attributable to the RLF project, or by the grantee performing an on-site job count. The documentation for job counts should be placed in the project files.

Created jobs may be credited if the jobs were created within five years of loan disbursement or, if construction is involved, within five years after construction completion. All jobs credited must be attributable to the RLF project. A created job must be removed from the credited created jobs if the job fails to last at least 18 months. Any job which meets the creditable job created criteria is counted as part of the total actual jobs created permanently, regardless of the status of the loan.

For loans that have been paid in full, grantees may use the job information data that is on file provided there is adequate confidence in the reliability of the data. If there is a question on the reliability, the data should be verified by the next annual reporting period.

- b. Saved Jobs are existing jobs where it can be documented that without the RLF assistance the jobs would have been lost.

Exception - Created/Saved Jobs Subsequently Lost: If an RLF borrower subsequently ceases business (or closes a segment of its business) thereby eliminating previously created or saved jobs, these jobs may continue to be counted in the Annual Report only if they were maintained for a minimum of 18 months prior to the loss.

D. ADMINISTRATION

23-27. Self-explanatory.

E. CAPITAL UTILIZATION

28-30. Self-explanatory (*13 CFR §308.17 Effective Utilization of Revolving Loan Funds*).

F. RLF PLAN CERTIFICATION

31. Self-explanatory (*13 CFR §308.14 (b)*).