

Office of Financial Assistance Guideline and Policy	EFFECTIVE DATE March 3, 2016	PAGE Page 1 of 1
SUBJECT: Accounting for draw requests from loan recipients		

3/14/16

Purpose:

This guideline and policy is created to help inform interested parties on when the State Revolving Loan Fund (SRF), administered by the Office of Financial Assistance (OFA) will accrue a payment to a loan recipient in the current fiscal year.

- Requests for payments to loan recipients come in throughout the fiscal year. These payments contain invoices that are dated and approved by the entity at various times. The loan recipients accrual of these invoices are not directly related to the reimbursement of funds from the SRF program since payment from the program is based upon a program review, conditions established in the contract and a commitment from the loan recipient to repay the loan.
- Loan recipients are not liable for the repayment of their draw request until the payment is deposited into their account, regardless of when they have requested the payment. This is also when interest begins to accrue on the drawn balance.
- The State Controller's Office records a loan accrual for the Comprehensive Annual Financial Report (CAFR) only when the entity is liable for repayment. This accrual methodology has been followed by CAFR accountants for several years that were subject to audit review.
- This policy establishes when the OFA will consider a draw request accrued for fiscal year end reporting purposes that coincide with Governmental Accounting Standards Board guidance on accrual recognition and the State Controller's Office reporting for the Comprehensive Annual Financial Report (CAFR).

Policy:

1. The OFA will record the draw request in the fiscal year the loan recipient becomes liable for repayment.

For further information, please contact the OFA staff at 775.687.9489 or visit our website at <http://ndep.nv.gov>.