



HOME FACTS - Vol. 7 No. 1, January 2016 (Revised February 2019)

Topic

This HOME FACTS will explain and illustrate how to use program income (PI), repayments to the local account (IU), and recaptured homebuyer (HP) funds that are deposited in a Participating Jurisdiction's (PJ's) HOME Investment Trust Fund local account. This HOME FACTS will also explain the impact of local account funds on committing and disbursing HOME Treasury account funds in IDIS, including changes due to the implementation of grant based accounting for fiscal year (FY) 2015 and subsequent years' grants. Please refer to <https://www.hudexchange.info/programs/grant-based-accounting/> for more information on grant based accounting.)

Background

The HOME Regulation at 24 CFR § 92.2 defines program income as, "...gross income received by the PJ, State recipient, or a subrecipient directly generated from the use of HOME funds or activities funded from matching contributions...." The most common form of program income is principal and interest payments of HOME-funded loans. Other sources of program income include, but are not limited to, proceeds from the disposition of HOME-funded property and interest earned on program income pending its disposition.

The HOME Program requires that PJs deposit all PI they receive in their HOME Investment Trust Fund local accounts and report it in IDIS. This includes all PI that PJs permit State recipients and subrecipients to retain for additional HOME projects, pursuant to the terms described in written agreements. If the funds are held by a State recipient or subrecipient, the PJ can use PI subgrants in IDIS to separate the funds held by each subrecipient from the funds held in its own local account.

In addition to PI, PJs must report other deposits to the local account in IDIS, including repayments to the local account (IU) and recaptured homebuyer funds (HP) from beneficiaries that sell their homes during the HOME affordability period. The IU and HP fund types were implemented in IDIS Version 11.10 (May 2015). PJs must use the correct fund types in IDIS to track the receipt of local account funds in order to ensure program compliance.

The "[Changes to HOME Investment Partnerships \(HOME\) Program Commitment Requirement](#)" Rule (24 CFR Part 92) published December 2, 2016 changed the process that PJs must follow when committing and disbursing funds in their HOME Investment Trust Fund local accounts. Beginning with the FY 2017 annual action plan, a PJ had the option of: (1) committing local account funds earned in its current program year to existing projects identified in its current annual action plan; (2) accumulating the funds it receives during the current program year and including that amount in the following year's annual action plan; or (3) a combination of both 1 and 2. The PJ may need to amend its annual action plan if it chooses to fund a current year project using local account funds

earned during its current program year and the use of those funds is not included in the current annual action plan.

Pursuant to the regulation at § 92.502(c)(3), for Fiscal Year 2015 and subsequent allocations, the specific funds committed to a project will be disbursed for that project. IDIS Version 11.10 (May 2015) implemented this requirement by introducing functionality that allows PJs to fund and draw local account funds from specific program years. For example, committing 2015 PI to an activity will result in 2015 PI being disbursed for that activity. Local account funds deposited during 2014 or earlier years will continue to be committed and disbursed on a first-in, first-out (FIFO) basis in IDIS.

The regulation at § 92.503(d) also requires PJs to commit all funds in the HOME local account at the beginning of the program year before committing funds in the HOME Investment Trust Fund Treasury account. HUD implemented this provision in IDIS by permitting PJs to fund activities with HOME Treasury funds only after all local account funds earned in the prior program year have been fully committed. For example, a PJ must commit all HOME local account funds earned during its 2017 program year before IDIS will allow it to commit FY 2018 HOME Treasury funds in IDIS using the Entitlement (EN), General Subgrant (SU), CHDO Capacity Building (CC), CHDO Operating (CO) and CHDO Loan (CL) fund types. Similarly, the system requires PJs to commit all program income for administration (PA) earned during the previous program year (e.g., 2017) before it can fund activities with administration (AD) funds from the following years' HOME allocation (e.g., FY 2018). Please note this functionality **does not** apply to committing CHDO Reservation (CR) funds. Therefore, a PJ may fund its activities with available CR at any point in time prior to its 24-month CHDO reservation requirement deadline.

Finally, the regulation at § 92.502(c)(3) requires that, for projects in which both funds in the local account and funds in the Treasury account are committed to a project, the funds in the local account must be disbursed before requests are made for HOME funds in the Treasury account for the project. Consequently, if an activity is funded with both Treasury funds and local account funds, IDIS requires the local account funds to be disbursed before any HOME Treasury account funds can be drawn down.

Overview

Program Income Receipt Fund Type (PI)

The PI receipt fund type is the most general of the local receipt fund types in that it can capture funds received by several different means. PJs will use the PI fund type to track receipt of HOME funds in its local account except when one of the other fund types is more appropriate. The exceptions are discussed further below and include:

- Local account funds received as repayments for an ineligible use. These funds will be reported in IDIS using the repayments to the local account receipt fund type: IU.
- Local account funds received due to triggering recapture provisions of a PJ's homebuyer program. These funds will be reported in IDIS using the recaptured homebuyer receipt fund type: HP.

Program Income for Administration Receipt Fund Type (PA)

PJs are permitted to use up to 10 percent of all program income received for eligible HOME administrative costs. It is important to note that PJs are not allowed to use any of the other local account receipt fund types (i.e., HP or IU) for administrative costs. In order to use program income for these costs, PJs must transfer PI into a

program income for administration subfund (PA). The size of this subfund will be limited to the lesser of two amounts: (A) 10 percent of the amount of PI receipts for the program year; or (B) the amount of program income for the program year that is available to commit. HUD recommends PJs increase the authorized amount of the PA subfund as soon as the PI is entered in IDIS in order to maximize funds available for administration.

Recaptured Homebuyer Receipt Fund Type (HP)

PJs administering homebuyer programs must impose resale or recapture provisions on each HOME-assisted homebuyer unit. Recapture provisions ensure that the PJ recoups all, or a portion of the HOME-funded direct homebuyer assistance if the housing ceases to be the homebuyer's principal residence during the affordability period. However, if the PJ receives funds due to the recapture provisions on a homebuyer unit, the PJ will record these funds using the HP receipt fund type. Generally, recaptured funds are treated like program income, except that PJs cannot use any recaptured funds for administrative costs. If the PJ receives loan payments associated with a homebuyer unit during or after the affordability period, these payments constitute PI.

Repayments to the Local Account Receipt Fund Type (IU)

Any HOME funds invested in housing that is terminated before completion or does not meet the affordability requirements for the period specified in § 92.252 or § 92.254, as applicable, must be repaid by the PJ.

IMPORTANT NOTE: The HOME Regulation at § 92.503(b)(3) states that HUD will instruct PJs to repay ineligible costs to either the HOME Investment Trust Fund Treasury account or local account. In most cases, HUD will direct PJs to deposit all HOME repayments into their HOME Investment Trust Fund local account regardless of the source of the original disbursement. However, PJs must continue to consult with their local HUD field office to determine the proper repayment procedure and the documentation necessary to demonstrate that repayment was made. Failure to repay funds properly may result in funds being deobligated by HUD or recaptured by U.S. Treasury.

When the PJ is instructed by its HUD Field Office to repay its local account for ineligible costs, the PJ must create a repayment to the local account (IU) receipt in IDIS. The PJ must then provide its HUD Field Office with evidence of the repayment of funds to the local account using non-Federal funds. Specifically, the PJ must submit to HUD a cancelled check, a copy of deposit slip, or a copy of a bank ledger documenting the repayment. Finally, the HUD Field Office will coordinate with the Office of Affordable Housing Programs (OAHP) at HUD Headquarters to cancel the ineligible activities in IDIS, if applicable.

In the past, most repayments required draw revisions in IDIS. However, draw revisions are not necessary when a PJ uses IU funds. The funds that were disbursed for the ineligible project will remain associated with the activity that originally used the funds. Because the original commitment and disbursement of funds is not affected, using the IU receipt fund type will not affect PJs' compliance with commitment and expenditure requirements.

For example, a PJ commits and expends \$125,000 for activity 1234. After HUD monitors activity 1234, it determines that the funds were expended on ineligible costs and require repayment. The PJ consults with the Field Office and deposits \$125,000 into its local account. The PJ provides the Field Office with documentation of the repayment and enters an IU receipt for \$125,000 in IDIS identifying activity 1234 as the original, ineligible activity that required repayment. OAHP receives verification of the repayment from the Field Office and cancels activity 1234 in IDIS. The PJ will then have the option of (1) committing the IU funds repaid in the current program year to existing projects identified in its current annual action plan; (2) accumulating the IU funds received during

its current program year and including that amount in the following year's annual action plan; or (3) a combination of 1 and 2. The original activity commitment and disbursement for activity 1234 (i.e., \$125,000) remains committed and disbursed for that activity in IDIS, so the PJ continues to receive credit for committing and expending those funds, but the activity is cancelled so HUD does not count any accomplishment information reported by the PJ for that activity.

Process for Reporting the Use of Local Account Funds

Funds deposited into a PJ's HOME local account must be reported in IDIS when deposited, but no less often than every 30 days. IDIS automatically assigns each local account receipt to the PJ's current program year. Before the close of the program year, PJs should reconcile their HOME local account with IDIS and record any local account receipt funds on hand not yet entered in IDIS to ensure all funds are associated with the correct program year.

The remainder of this HOME *FACTS* will cover the following steps in further detail:

1. Create receipts for any local account funds received by the PJ or its subrecipients that have not yet been reported in IDIS.
2. Edit the authorized amount of the program income for administration (PA) subfund for the current program year in order to use up to 10 percent of program income for administrative costs.
3. Edit the program income subgrants for each subrecipient holding local account funds if any PI, HP, or IU funds are retained by subrecipients. PJs can use program income for administration (PA) subgrants for each subrecipient if the PJ allows the subrecipients to retain program income for administrative costs.
4. Review available local account balances in IDIS. This can be done using the *View Receipt Accounts* screen, the *Activity Funding* screen, and various Microstrategy reports.
5. Create and approve the drawdown of local account funds.

Step 1a: Creating a Local Account Fund Receipt - Navigating to the Add Receipt screen

1. Login to IDIS and click the Funding/Drawdown tab located along the top ribbon of the IDIS screen.
2. In the Receipt submenu located on the left of the screen, click the "Add" link.
3. On the Add Receipt screen, click the "Formula Grant Receipt" link from Select Receipt Type.

Step 1b: Creating a Local Account Fund Receipt - Completing the Add Receipt screen

1. In the "Program" dropdown (A in the following screenshot), select HOME. This will limit the fund types available to those associated with HOME.
2. The "Program Year of Receipt" field (B) is provided by the system based on the PJ's HUD program year and cannot be changed. PJs should record local funds in IDIS in the same program year as they were deposited in their local accounts according to their internal financial records.

IMPORTANT NOTE: A PJ should not be concerned if their jurisdiction recently began a new program year and has receipts that should have been assigned to the prior year. In that case, the PJ should use the "Comments" section located on the "Add Receipt" screen to indicate the receipt should have been recorded under a different program year; it will help PJs and HUD to explain the discrepant amounts.

3. Select the “Source Type” (C) based on the type of HOME allocation received by the PJ. HOME options include: Urban County (UC), Consortium (DC), Metro City (MC), Insular Area (ST), and State (SG).
4. Select the “Fund Type” (D) based on the guidance above. HOME options include Program Income (PI), Repayments to the Local Account (IU), and Recaptured Homebuyer (HP).
5. In the “IDIS Activity ID” field (E), provide the IDIS activity number of the activity that generated the receipt. This field is only required when creating an IU receipt. Please see the section below for more information on IU receipts.
6. The “Grantee Receipt #” (F) is optional, but PJs are encouraged to use this field to enter information that will assist in reconciliation with local financial records. The use of consistent naming and numbering conventions can assist finding information and reconciliation. The field will accept up to 18 characters.
7. Enter the amount of the receipt in the “Total Amount” (G) field. PJs may create one “batch” receipt in IDIS to represent more than one actual deposit in their local account. For example, PJs can create one IDIS receipt to represent all loan payments received in a month.
8. For PI and HP receipts, the “Comments” (H) field is optional. PJs are encouraged to use this field to enter information that will assist in reconciliation with local financial records. If the IDIS receipt represents more than one deposit in the local account, it is helpful to use this field to provide detail in terms of what is included. The “Comments” field is required when PJs enter IU receipts IDIS. PJs should include: the reason for the repayment, the amount required to be repaid, whether the repayment entered is a full or partial amount, and if additional repayments are necessary.
9. Click the “Save” button to record the receipt. The system will provide a receipt number at the top of the screen. For auditing purposes, it is good practice to print the screen with the receipt number and attach it to the supporting documentation for record keeping purposes.

Add Receipt

| |

***Indicates Required Field**

Receipt Created For:
HAMMOND

Receipt Status:
Original

Formula Receipt

A ***Program:**
HOME

Receipt Type:
Select Type

B ***Program Year of Receipt:**
2015

Description:

C ***Source Type:**
MC METRO CITY

F **Grantee Receipt #:**

D ***Fund Type:**
PI PROGRAM INCOME

G **Total Amount:**
\$ 999

E **IDIS Activity ID:**

H **Comments:**
Homeowner Rehab Loan payments received in the month of June 2015

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Repayments to the Local Account (IU) Receipts

When the PJ selects “IU Repayment to the Local Account,” the data entry requirements for the screen change in a number of ways.

The screenshot shows a web-based data entry form for IU Repayment to the Local Account. It includes a dropdown menu for Fund Type, an IDIS Activity ID field with a 'Show Activity Funds' button, a table of activity data, a 'Local Account Repayment - Receipt Amount' column with input fields, a 'Grantee Receipt #' column, a 'Total Amount' field, an 'Add Activity' button, and a 'Comments' field. Red callouts A through G highlight specific elements: A (IDIS Activity ID), B (Table columns), C (Receipt Amount input), D (Grantee Receipt # input), E (Total Amount), F (Add Activity button), and G (Comments field).

Recipient	Source Name	Source Type	Grant Year	Fund Type	Drawn Amount	Previous Local Account Repayments	Remaining Balance	Local Account Repayment - Receipt Amount	Grantee Receipt #
HAMMOND	HUD	MC	2013	PI	\$825.00	\$0.00	\$825.00	\$ 825	
HAMMOND	HUD	MC	2009	EN	\$175.91	\$0.00	\$175.91	\$ 175.91	
Total:								\$1,000.91	

1. In the “IDIS Activity ID” field, input the IDIS activity number for the activity that is in need of repayment and click the “Show Activity Funds” button.
2. The system will refresh the screen and provide a table displaying the amounts drawn against the activity. Each combination of grant year and fund type is displayed on a separate line item.
3. Review the information in the table provided, including “Drawn Amount,” “Previous Local Account Repayments,” and “Remaining Balance” (B). These amounts will determine the maximum amount to enter in the “Local Account Repayment - Receipt Amount” field (C) for each line item.
4. Input the amount of funds that will be repaid in the “Local Account Repayment - Receipt Amount” field (C). PJs may optionally input a distinct “Grantee Receipt #” (D) for each line item.
5. “Total Amount” field (E) is calculated by the system based on the total entered in the “Local Account Repayment - Receipt Amount” fields (C).
6. If the repayment receipt will include more than one activity, click the “Add Activity” button (F) to input data for another activity.
7. Provide a detailed comment in the “Comments” field (G), including the reason for the repayment, the amount required to be repaid, whether the repayment entered is a full or partial amount, and if additional repayments are necessary. Please note that the “Comments” field is required for IU receipts.

Steps 2 and 3: Assigning Program Income to Administration and Subrecipients

In order to set-aside program income for administrative costs or record local funds retained by a subrecipient, PJs must use the subfund and subgrant functionality of IDIS.

- A subfund indicates how funds will be used. To set-aside 10 percent of program income (PI) for administrative costs, a PJ will use a program income for administration subfund (PA). PJs are not allowed to use any of the other local account fund types (i.e., HP or IU) for administrative costs. PJs are encouraged to increase the authorized amount of the PA subfund immediately after entering a PI receipt

in IDIS. Otherwise, the PI may be inadvertently committed to and drawn against activities and the PJ will be unable to increase the authorized amount of its PA subfund. IDIS also requires the PJ to commit all program income for administration (PA) earned during the previous program year before the system will allow it to fund an activity with the following years' HOME Treasury administration (AD) funds.

- A subgrant indicates which organization will use the funds. Regarding local account funds, a program income subgrant may indicate that the PJ allowed the subrecipient to retain PI. PJs may create PI subgrants and PA subgrants.

For detailed direction creating subfunds and subgrants using local account funds, please refer to [HOME FACTS Vol. 4, No. 2: How to Create a PA Subfund and Subgrant PI in IDIS](#).

Step 4: Viewing Local Funds in the System and on Reports

Before creating a drawdown voucher, PJs should review the availability of local account funds reported in the system. There are three primary places to view this information: the *View Receipt Accounts* screen, *Microstrategy Reports*¹, and the *Edit Activity Funding* screen. The *View Receipt Accounts* screen and *Microstrategy Reports* are discussed in more detail below. The *Edit Activity Funding* screen is discussed in the next section as part of the process used to draw local account funds.

The *Activity Funding* screen clearly shows the amounts available for each fund type and recipient. The *View Receipt Accounts* screen provides more detail than the *Activity Funding* screen, including the amount of funds that have been suballocated to a subfund or subgrant or if the funds were already committed to activities. A number of *Microstrategy Reports* provide detailed information on local funds at the grant level, by fund type, and receipt.

Viewing Local Account Funds on the View Receipt Accounts Screen

1. Login to IDIS and click the Funding/Drawdown tab located along the top ribbon of the IDIS screen. In the Receipt submenu located on the left side of the screen, click the "Search Accounts" link.
2. On the *View Receipt Accounts* screen, use the "Search Criteria" (section A in the following screenshot) to limit the accounts listed on the screen and click the "Search" button.
3. The system will display all accounts that meet the search criteria. The accounts are summarized by "Grant Year / Program Year of Receipt" (B) and "Fund Type" (C) and include the following information:
 - a. The "Amount" column (D) displays the total amount of receipts for a fund type in a program year.
 - b. The "Suballocated" column (E) displays the amount of receipt funds placed in either a program income for administration subfund (PA) or a program income (PI) subgrant associated with a subrecipient.
 - c. The "Committed to Activities," "Drawdown Amount," and "Pending Amount" columns (F) reflect the status of the receipt funds.

¹ Please note that the information on Microstrategy Reports reflects data as of the end of the prior day. Any receipts created on the day that the report is generated will not be reflected on the report.

Plans/Projects/Activities Funding/Drawdown Grant Grantee/PJ Admin

Receipt
View Receipt Accounts

Search Criteria

Program: HOME Grant Year / Program Year of Receipt: (tip) 2015 Fund Type: All

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

Search | Reset

Results Page 1 of 1

Program	Source Type	Grant Year / Program Year of Receipt (tip)	Fund Type	Amount	Sub Allocated	Committed to Activities	Drawdown Amount	Pending Amount
HOME	MC	2015	PI	\$34,548.71	\$3,000.00	\$0.00	\$0.00	\$0.00
HOME	MC	2015	HP	\$1,999.00	\$0.00	\$1,000.00	\$0.00	\$510.00
HOME	MC	2015	IU	\$30,000.00	\$0.00	\$30,000.00	\$0.00	\$30,000.00

Step 5: Committing Local Account Funds to Activities

As of IDIS Version 11.10 (May 2015), PJs must first commit program income and other local account funds to activities before including these funds on a drawdown voucher. Beginning with FY 2015 HOME funds, IDIS will no longer give PJs the option of replacing FY 2015 HOME entitlement funds with the uncommitted balance of 2015 PI during voucher creation. In addition, the first-in, first out (FIFO) accounting method will not apply to program year allocations and local account funds associated with program year 2015 and onward. This will allow PJs to commit and draw funds from funds associated with specific program years instead of the system using the oldest available funds. For example, committing 2015 PI to an activity will result in 2015 PI being disbursed for that same activity.

Step 5a: Adjusting Activity Funding – Navigating to the Activity Funding screen

1. Login to IDIS and click the Funding/Drawdown tab located along the top ribbon of the IDIS screen. The system will display the Search for Activities to Fund screen.
2. Use the “Search Criteria” to locate an activity. From the list of results, click on the “Add-Edit” link.

Step 5b: Adjusting Activity Funding – The Edit Activity Funding screen

At the bottom of the *Edit Activity Funding* screen for any non-administrative activity, the system will list all local fund accounts, including the organization associated with the account (A in the following screenshot), the fund type (B), and the amount available for funding (C). The amounts available for funding are aggregated for all years by recipient and fund type.

To fund the activity from a local account fund type, click on the “Add-Edit” link for the line item. The example in the following screenshot demonstrates many of the functions associated with local account funds, including:

- The City has available balances of PI, HP, and IU. These accounts reflect the amounts entered in IDIS as receipts using the “Add Receipt” functionality, less the amounts already committed to activities or allocated to subgrants or subfunds.
- The City has reserved a portion of its program income for administrative costs by creating a PA subfund. This is reflected in the PA line item with the PJ’s name listed as the “Recipient Name” (A).
- The City has created a PI subgrant to reflect a subrecipient that retains program income to be used for additional HOME-eligible activities. This is reflected in the PI line item with the subrecipient’s name listed as the “Recipient Name” (A).
- The City has created a PA subgrant to reflect a subrecipient that is reserving a portion of its program income for administrative costs. This is reflected in the PA line item with the subrecipient’s name listed as the “Recipient Name” (A).

Activity Funding
 Edit Activity Funding

Return to Search for Activities to Fund

*Indicates Required Field

Activity Owner: HAMMOND, IN
Program Year/Project: 2014/2

IDIS Activity ID: 1491
Total Funded: \$117,220.74

Activity Name: UNI: 123 Main Street
Total Drawn: \$11,900.00

Available Funds

Recipient Name	Program	Fund Type	Source Name	Source Type	Available for Funding	Funded Amount	Drawn Amount	Action
HAMMOND, IN	HOME	HP	HUD	MC	\$30,998.00	\$0.00	\$0.00	Add-Edit View
HAMMOND, IN	HOME	IU	HUD	MC	\$1,000.91	\$0.00	\$0.00	Add-Edit View
HAMMOND, IN	HOME	PA	HUD	MC	\$700.00	\$0.00	\$0.00	Add-Edit View
HAMMOND ENTERPRISE DEVELOPMENT CORP, IN	HOME	PA	HAMMOND, IN	MC	\$300.00	\$0.00	\$0.00	Add-Edit View
HAMMOND, IN	HOME	PI	HUD	MC	\$31,756.55	\$0.00	\$0.00	Add-Edit View
HAMMOND ENTERPRISE DEVELOPMENT CORP, IN	HOME	PI	HAMMOND, IN	MC	\$2,000.00	\$0.00	\$0.00	Add-Edit View

Step 5c: Adjusting Activity Funding – The Activity Funding Certification screen

The system will display the HOME Activity Funding Certification page. Read the certification. Ensure that the activity meets the requirements of the certification and click the “I Agree. Continue to Add-Edit Funding Details” button to continue to the next page.

Step 5d: Adjusting Activity Funding – The Add-Edit Funding Line Item screen

The Add-Edit Funding Line Item screen displays the new functionality related to grant based accounting. Activities can be funded with available funds in the FIFO (i.e., 1992-2014 HOME grants) layer or available funds

in the grant-specific (i.e., 2015 and later HOME grants) layer, or both, depending on the availability of uncommitted funds.

At the top of the page, the system displays activity information (A), including the activity name, IDIS activity ID, and the total amounts funded and drawn for the activity. PJs have the option to fund the activity from pre-2015 FIFO accounts or grant-specific accounts.

Activity Funding

Add-Edit Funding Line Item

Return to Add-Edit Funding | Save | Cancel

Activity Owner: HAMMOND, IN **Program Year/Project:** 2014/2

IDIS Activity ID: 1491 **Total Funded:** \$117,220.74 **A** Activity Information

Activity Name: UNI: 123 Main Street **Total Drawn:** \$0.00

Funding Source Pre-2015 **D**

Program	Program Year of Receipt	Fund Type	Source Name	Source Type	Recipient Name	Available for Funding	Funded Amount	Drawn Amount
HOME	Pre-2015	PI	HUD	MC	HAMMOND, IN	\$0.00	\$0.00	\$0.00

Current Funding for This Source

Program Year of Receipt	Funded Amount	Drawn Amount
E <input type="text"/>	G <input type="text"/>	\$0.00
F Add Program Year of Receipt		

B Pre-2015 Receipts (FIFO)

Funding Source **H**

Program	Program Year of Receipt	Fund Type	Source Name	Source Type	Recipient Name	Available for Funding	Funded Amount	Drawn Amount
HOME	2015	PI	HUD	MC	HAMMOND, IN	\$30,034.97	\$0.00	\$0.00

Current Funding for xFIFO

Program Year of Receipt	Funded Amount	Drawn Amount
<input type="text" value="2015"/>	I <input type="text"/>	\$0.00

C 2015 and later receipts (grant specific)

Return to Add-Edit Funding | Save | Cancel

To fund the activity from a receipt account before program year 2015 (i.e., FIFO layer), use the sections highlighted in red (B), "Funding Source Pre-2015" and "Current Funding for This Source." This account includes

all available receipts associated with FY 1992-2014 HOME grants. IDIS continues to process commitments from these grants and program years on a first-in, first-out (FIFO) basis.

1. Verify there are sufficient funds available displayed in the “Available for Funding” column (D). This is the sum of all available funds for this fund type and recipient in the FIFO layer. In the previous screenshot, there is no available funding in Pre-2015.
2. Enter a “Program Year of Receipt” (E). To split funding across more than one year, click the “Add Program Year of Receipt” button (F) to add a new line item.

IMPORTANT NOTE: IDIS will continue to allow users to enter a value in the “Program Year of Receipt” field in the FIFO layer; however, this field is strictly optional and it is not used by the system to determine which year will be used for HOME funding and disbursements. Therefore, IDIS will continue to process all pre-2015 local account receipt funds on a FIFO basis, meaning the oldest available funds will be committed and drawn first regardless of the program year entered by users.

3. Enter the amount of funds to commit to the activity in the “Funded Amount” field (G) and click the “Save” button at the bottom of the screen.

To fund the activity from program year (PY) 2015 or later program years, use the bottom two sections highlighted in green (C), “Funding Source” and “Current Funding for xFIFO.” The system will list the balances for each 2015 and later program years on separate rows. When an activity is funded from 2015 and later year grants and program years, the funding is program year specific and FIFO does not apply.

4. Verify the amounts “Available for Funding” (H) from each allocation.
5. Enter the amount of funds to commit to the activity in the “Funded Amount” field (I) for the desired program year. The system allows PJs to fund an activity from balances in more than one program year, if available.
6. Click the “Save” button at the bottom of the screen.

Step 5e: Adjusting Activity Funding – Offset the Funding Increase, if applicable

Once the changes to the *Add-Edit Funding Line Item* screen are saved, the total funding amount for the activity will increase. In some cases, the PJ user will need to adjust the activity funding to account for the use of local account funds and to ensure the total funded amount is not in excess of the HOME commitment to the activity identified in the written agreement. To correct for this, the PJ should reduce the funded amount from other fund types, such as entitlement (EN), general subgrant (SU), or CHDO reserve (CR) by an amount equal to the funding increase from local account funds. As a result, the total funding for the activity will remain unchanged and will be supported by the HOME commitment documentation.

IMPORTANT NOTE: Replacing subgranted funds (e.g., SU and CR) with local account funds will require PJs to reduce the amount subgranted to subrecipients and CHDOs. CHDO set-aside funds that are uncommitted (e.g., due to cancellation of a project, cancellation or reduction of subrecipient or state recipient award, or a project being completed for an amount less than the committed amount) after the deadline cannot be recommitted by the PJ and must be deobligated by HUD. The HOME Regulations **do not require** PJs to commit all local account funds earned in the prior program year (e.g., 2017) before funding activities with CR funds allocated in the

following year (e.g., FY 2018). Therefore, HUD strongly advises PJs to refrain from replacing CR commitments with local account funds, especially after the CHDO Reservation deadline has passed.

1. Click the “Return to Add-Edit Funding” button.
2. On the Edit Activity Funding screen, identify the fund type to reduce and click the “Add-Edit” link.
3. On the next page, read the HOME Activity Funding Certification and if acceptable, click the “I agree. Continue to Add-Edit Funding Details page” button.
4. On the Add-Edit Funding Details page, reduce the amount previously funded by Treasury account funds by an amount equal to the amount funded with local account funds and click the “Save” button. Once saved, the “Total Funded” amount for the activity listed at the top of the page should equal the original “Total Funded” amount before local account funds were committed to the activity.

Step 6a: Drawdown Creation - Select Activities

The *Create Voucher* screen allows the PJ to input one or more voucher numbers for draws.

The screenshot shows the IDIS 'Create Voucher' interface. At the top, a blue ribbon contains navigation tabs: 'Plans/Projects/Activities', 'Funding/Drawdown' (highlighted with a red box and letter A), 'Grant', 'Grantee/PJ', and 'Admin'. On the left, a sidebar menu includes 'Drawdown' (highlighted with a red box and letter B) with sub-options 'Create Voucher', 'Search Voucher', and 'Approve Voucher'. The main content area is titled 'Drawdown' and 'Create Voucher - Page 1 of 4 (Select Activities)'. It features a 'Continue' button (E), a red asterisk indicating required fields, a dropdown menu for '*Voucher Created For:' (C) currently set to 'ILLINOIS', and a 'Requested LOCCS Submission Date' field. Below these is the 'Activity Owner' field, also set to 'ILLINOIS'. The central part of the screen is a grid for '*IDIS Activity ID' with one cell highlighted by a red box and letter D. At the bottom, there are 'Search for Activities' and 'Reset' buttons.

1. Login to IDIS and select the Funding/Drawdown tab (A) located along the top ribbon.
2. Select Create Voucher from the Drawdown sub-menu (B) along the left side of the screen.
3. In the “Voucher Created For” field (C), use the dropdown to select the correct organization. For most activities, select the PJ’s name. For activities funded from CHDO reserve (CR) and general subgrants (SU), select the name of the organization that received the subgrant that funds the activity.

- Enter the activity number(s) in the IDIS Activity ID field(s) (D). IDIS allows users to enter up to 60 activities for each voucher. Alternatively, click the “Search for Activities” button to manually query and select activities.
- Press the “Continue” button (E) after all IDIS Activity IDs have been entered.

Step 6b: Drawdown Creation - Amounts

The *Create Voucher Page 2 of 4* screen, which now includes grant based accounting functionality, will display the specific accounts (e.g., Pre-2015 or FY 2015 and later grant years) selected on the *Activity Funding* screen. If these are incorrect, return to the *Activity Funding* screen to verify the correct accounts were selected.

Drawdown
Create Voucher - Page 2 of 4 (Drawdown Amounts)

Return to Select Activities | Confirm Voucher | Cancel Voucher

Activity 1 of 1

IDIS Activity ID: 1491 **Activity Name:** UNI: 123 Main Street

Voucher Created For: HAMMOND, IN **Grantee/PJ Activity ID:**

Activity Owner: HAMMOND, IN

Available Drawdown Amounts for This Activity

Recipient Name	Program	Grant Year/ Program Year of Receipt	Fund Type	Source Name	Source Type	Prior Program Year	Funded Amount	Available to Draw	Drawdown Amount
HAMMOND, IN	HOME	Pre-2015	EN	HUD	MC	N/A	\$100,000.00	\$100,000.00	0
HAMMOND, IN	HOME	Pre-2015	PI	HUD	NC	N/A	\$21,296.34 <small>Automatically increased to match EN funded amount</small>	\$21,296.34 <small>The combined EN + PI drawdown amount must not exceed the original total available-to-draw amount of \$100,000.00</small>	0
HAMMOND, IN	HOME	2015	IU	HUD	MC	N/A	\$1,000.91	\$1,000.91	0
HAMMOND, IN	HOME	2015	PI	HUD	NC	N/A	\$10,000.00	\$10,000.00	0

Progress by Activity ID
Entered:
Not Entered: 1491 (#1)
Invalid:

Confirm Voucher | Previous Activity | Next Activity

- The information for the first activity will be displayed at the top (A). Verify the correct activity was selected.
- The voucher will list all of the funding sources available based on the information entered on the Activity Funding screen. Use the “Grant Year/Program Year of Receipt” (B), “Fund Type” (C), and “Available to Draw” (D) columns to identify the grant year and/or program year of receipt from which the draw will be debited. If the accounts or amounts listed are incorrect, return to the Activity Funding screen to make any necessary corrections.

IMPORTANT NOTE: Any pre-2015 program income that is available to commit will appear as available to draw even if the PJ did not fund the activity from pre-2015 program income. If pre-2015 program income is drawn, the system will automatically increase the amount of pre-2015 program income committed to the activity and reduce entitlement (EN) funding by an equal amount. Use “View Activity Funding” to see these changes.

To draw local funds receipted in 2015 and later years, PJs must manually commit the funds prior to drawdown using the “Activity Funding” screens. Review the “Activity Funding” screen to determine available *PI*, *HP*, and *IU* balances available to commit to activities.

3. Enter the amount you wish to draw for each account in the “Drawdown Amount” column (E).
4. The “Progress by Activity ID” at the bottom of the screen shows the vouchers that have been entered as well as those that remain. If users included more than one activity on the voucher, use the “Next Activity” button to proceed (F).
5. When finished entering data for all activities, click the “Confirm Voucher” button (G) to save and continue.

Step 6c: Drawdown Creation - Certification

When the PJ is drawing entitlement (EN) funds, the system displays the *HOME Drawdown Certification* and a summary of the vouchers that the certification covers. The certification is applicable whenever PJs disburse HOME funds from their HOME Treasury account, regardless of fund type. Review the *HOME Drawdown Certification*. Ensure the voucher meets the requirements of the certification and click the “I agree. Continue to confirm this voucher” button.

Step 6d: Drawdown Creation - Confirmation

The *Create Voucher Page 4 of 5* screen allows users to review the information included in the draw, including the IDIS activity ID, program year of receipt, fund type, and amount of the drawdown before creating the voucher.

Drawdown

Create Voucher - Page 5 of 5 (View)

• Voucher created successfully

[Return to Create Voucher](#)

Voucher Created For:
HAMMOND, IN

E IDIS Voucher #:
5814558

Activity Owner:
HAMMOND, IN

Created By:
C16964

Requested LOCCS Submission Date:

Creation Date:
07/03/2015

Voucher Data

Line Item #	A IDIS Actv ID	Activity Name	Program	B Program Year of Receipt	Grant #	C Fund Type	Source Name	Source Type	Recipient Name	Prior Program Year	D Drawdown Amount
1	1491	UNI: 123 Main Street	HOME	2013	M13MC180204	PI	HUD	MC	HAMMOND, IN	N/A	\$10,000.00
2	1491	UNI: 123 Main Street	HOME	2015	M15MC180204	IU	HUD	MC	HAMMOND, IN	N/A	\$1,000.91
Total											\$11,000.91

[Return to Create Voucher](#)

1. Review the information in the Voucher Line Items table and verify the following are correct for each line item: “IDIS Actv ID” (A), “Program Year of Receipt” (B), “Fund Type” (C), and “Drawdown Amount” (D). If any of these are incorrect, cancel the voucher and create a new voucher with the correct information.

IMPORTANT NOTE: Due to first-in, first-out (FIFO) drawdown processing, PJs cannot choose which allocations’ funds will be drawn from for drawdowns from pre-2015 grants. The system will credit the draw to the oldest allocation with funds available in the selected fund type.

2. Once all the information has been verified, click the “Generate Voucher” button.
3. The system will refresh the page and provide users with an “IDIS Voucher Number” (E). Print a copy of the screen for your records and provide the IDIS voucher number to the person tasked with approving the voucher.

Step 6e: Drawdown Approval

The *Search Voucher* screen allows the PJ to search vouchers by a number of criteria. PJ staff that need to approve or revise a voucher can use this screen to locate a voucher. On the *Maintain and Approve Voucher* screen, the PJ can either approve or revise the voucher.

To search for a voucher:

1. Login to IDIS and select the *Funding/Drawdown* tab located along the top ribbon.
2. Select *Search Voucher* from the *Drawdown* sub-menu along the left side of the screen.
3. In the “Search Criteria” section, use the provided fields to search for the voucher and click the “Search” button.
4. In the search results at the bottom of the page, identify a line item included on the voucher and click the “Maintain-Approve” link to continue.

Drawdown Revisions

HUD allows PJs to process drawdown revisions only under limited circumstances. Specifically, (1) to apply funds drawn from the HOME Treasury account in excess of need to another HOME activity (instead of drawing more funds) within 15 days of the original drawdown; (2) to reconcile expenditures after HOME funds are drawn for the wrong activities; (3) to consolidate vouchers under a single activity when PJs mistakenly set up 2 or more activities for a single HOME project; (4) to comply with the guidance in HOME *FACTS* Vol. 1, No. 4, which allows PJs to convert homebuyer activities to rental; and (5) to apply repayment “Collection” Vouchers in activity 1 to ineligible activities. HOME vouchers may not be revised unless one of these situations applies.

Additional Considerations

Commitments and disbursements of local account funds are not included in a PJ’s total commitments, CHDO reservations, and total expenditures for the purposes of meeting the 24-month commitment, 24-month CHDO reservation, and 5-year expenditure requirements.

Reminders and Next Steps

In summary, the addition of the new fund types to track local funds, including repayments to the local account (*IU*), and recaptured homebuyer (*HP*) funds, will help PJs properly track the source of each receipt. The shift from first-in, first-out (FIFO) accounting to grant based accounting alters the process for drawing funds in PJs' HOME local accounts. Keep the following in mind:

- Use the correct fund type when recording, committing, and disbursing local account funds.
- Enter local account funds in IDIS when received.
- Use one of the three options for committing local account funds:
 - Commit local account funds from the current program year to existing projects identified in the current Annual Action Plan (AAP);
 - Accumulate the funds received during the current program year and include the total uncommitted amount in the following year's AAP; or
 - A combination of the above.
- Remember that beginning with FY 2016 HOME allocations and FY 2015 HOME local account funds, IDIS will no longer permit PJs to fund activities with Treasury funds until after all local funds earned in the prior program year have been fully committed. This functionality does not apply to committing CHDO Reservation (CR) funds.
- Consider that IDIS requires local account funds to be fully disbursed before any HOME Treasury account funds can be drawn when an activity is funded with both Treasury funds and local account funds.
- Update the amount of program income allocated to subrecipients and administration immediately after the receipts are created by adjusting the size of the program income subfunds and subgrants. CHDO set-aside funds that are uncommitted (e.g., due to cancellation of a project, cancellation or reduction of subrecipient or state recipient award, a project being completed for an amount less than the committed amount) after the deadline cannot be recommitted by the PJ and must be deobligated by HUD. Therefore, HUD strongly recommends that PJs contact their CPD Representative in the local HUD Field Office prior to reducing CHDO Reservations after the deadline date has passed.

Do You Have Questions?

For further questions, please work with your CPD HUD representative in your local HUD Office or contact the IDIS Ask a Question (AAQ) website at <https://www.hudexchange.info/get-assistance/my-question/>.

ATTACHMENT 1: USEFUL IDIS REPORTS FOR TRACKING LOCAL FUNDS

1. **“Drawdown Report by Activity (PR05)”** This report details all of the PJ’s vouchers, sorted by IDIS Activity Number. This report is useful when reconciling to each activity.

Program Year/ Project	IDIS Act ID	Activity Name	Prior Year	Voucher Number	Line Item	Voucher Status	LOCCS Send Date	Grant Year	Grant Number	Fund Type	Drawn Amount
2013 2		Owner-Occupied Housing Rehabilitation	1457	5FR: 123 Main Street							
				5793067	3	Completed	3/25/2015	2010	M10MC180204	EN	\$26,715.00
				5799836	6	Completed	4/15/2015	2014	M14MC180204	PI	\$5,485.00
				5805465	1	Completed	4/30/2015	2010	M10MC180204	EN	\$200.00
				5812680	3	Completed	5/25/2015	2014	M14MC180204	PI	\$51.84
				5812680	4	Completed	5/25/2015	2015	M15MC180204	PI	\$6,298.16
				5817926	3	Completed	6/11/2015	2015	M15MC180204	PI	\$3,575.00
									Activity Total		\$54,246.22

2. **“Program Income Detail Report by Fiscal Year (PR09)”** This report details receipts and local fund drawdowns by program year and fund type. There are two versions of this report. Be sure to select “PR09 – Receipt Fund Type Detail Report”. In Microstrategy, PJs can use the Grouping filters at the top of the screen to filter the report to a specific year, fund type or transaction (receipt or draw).

Program Year	Program	Associated Grant Number	Fund Type	Estimated Income for Year	Transaction	Voucher #	Voucher Created	Voucher Type	IDIS Proj. ID	IDIS Actv. ID	Matrix Code	Receipted/Drawn Amount
2017	HOME	M17MC360502	PI	0.00								
					RECEIPTS							
						5237332001	10-23-17					11,869.92
						5238810001	11-09-17					5,259.34
						5240392001	12-04-17					7,804.80
						5243698001	01-08-18					7,591.86
						5245543001	01-30-18					4,895.15
						5248971001	03-07-18					367,306.56
						5250812001	03-28-18					20,337.90
						5253778001	05-03-18					38,628.34
			PA		DRAWS							
						6123015025	02-12-18	PY	70	9721		3,742.11
						6134300017	03-19-18	PY	70	9721		14,634.07
						6136924022	03-26-18	PY	70	9721		1,211.94
						6139225013	04-02-18	PY	70	9721		600.00
						6141154022	04-09-18	PY	70	9721		1,140.00
						6143578022	04-16-18	PY	70	9721		124.45
						6146207018	04-23-18	PY	70	9721		1,206.46
						6149012029	04-30-18	PY	70	9721		17,267.30
						6151266017	05-07-18	PY	70	9721		406.86
						6153215019	05-14-18	PY	70	9721		1,012.60
						6157381023	05-25-18	PY	70	9721		1,280.72
						6159987013	06-05-18	PY	70	9721		739.14
											Receipts	463,693.87
											PI Draws	0.00
											PA Draws	43,365.65
											Balance	420,328.22
2017	HOME	M17MC360502										
											Total Local Account Receipts	463,693.87
											Total Local Account Draws	43,365.65
											Total Local Account Balance	420,328.22

3. **“Drawdown Report by Voucher Number – All Vouchers (PR07)”** This report details all of the PJ’s vouchers, sorted by date drawn. To view vouchers for local funds, be sure to choose the “All Vouchers” version as opposed to the “Vouchers Submitted to LOCCS” version. In Microstrategy, this report can be limited to local funds using the parameters screen. This report imports cleanly into Excel and can be used to reconcile information by date.

Voucher Number	Line Item	IDIS Act ID	Voucher Created	Voucher Status	Status Date	LOCCS Send Date	Grant Year	Fund Type	Program	Drawn Amount
974717	1	652	1/23/2004	Completed		1/23/2004	2000	PI	HOME	\$26,781.60
	2	548	1/23/2004	Completed		1/23/2004	2000	PI	HOME	\$159.00
	3	623	1/23/2004	Completed		1/23/2004	2000	PI	HOME	\$4,029.40
	4	622	1/23/2004	Completed		1/23/2004	2000	PI	HOME	\$30,251.00
	5	621	1/23/2004	Revised		1/23/2004	2000	PI	HOME	\$10,052.00
	6	624	1/23/2004	Cancelled		1/23/2004	2000	PI	HOME	\$14,024.00
	7	625	1/23/2004	Cancelled		1/23/2004	2000	PI	HOME	\$10,293.00
	8	626	1/23/2004	Cancelled		1/23/2004	2000	PI	HOME	\$693.00
	9	627	1/23/2004	Cancelled		1/23/2004	2000	PI	HOME	\$293.00
	10	626	1/23/2004	Cancelled		1/23/2004	2000	PI	HOME	\$30,006.00
	11	629	1/23/2004	Cancelled		1/23/2004	2000	PI	HOME	\$768.00
	12	636	1/23/2004	Completed		1/23/2004	2000	PI	HOME	\$10,052.00
974746	1	630	1/23/2004	Cancelled	01/24/2004	1/23/2004	2000	PI	HOME	\$78.00

4. **“Status of HOME Grants (PR27)”** This report summarizes information by grant year and fund type, including program income (PI), program income for administration (PA), recaptured homebuyer funds (HP), and repayments to the local account (IU).

Program Income for Administration (PA)							
Program Year	Authorized Amount	Amount Committed to Activities	% Committed	Net Disbursed	Disbursed Pending Approval	Total Disbursed	% Disbursed
2012	\$24,605.28	\$24,605.28	100.0%	\$24,605.28	\$0.00	\$24,605.28	100.0%
2013	\$0.00	\$0.00	0.0%	\$0.00	\$0.00	\$0.00	0.0%
2014	\$21,962.27	\$21,962.27	100.0%	\$15,850.47	\$0.00	\$15,850.47	72.1%
2015	\$6,757.08	\$6,757.08	100.0%	\$899.69	\$0.00	\$899.69	13.1%
Total	\$53,324.63	\$53,324.63	100.0%	\$41,345.44	\$0.00	\$41,345.44	77.5%

Recaptured Homebuyer Funds (HP)							
Program Year	Total Receipts	Amount Committed to Activities	% Committed	Net Disbursed	Disbursed Pending Approval	Total Disbursed	% Disbursed
2015	\$0.00	\$0.00	0.0%	\$0.00	\$0.00	\$0.00	0.0%
Total	\$0.00	\$0.00	0.0%	\$0.00	\$0.00	\$0.00	0.0%

Repayments to Local Account (IU)							
Program Year	Total Receipts	Amount Committed to Activities	% Committed	Net Disbursed	Disbursed Pending Approval	Total Disbursed	% Disbursed
2015	\$0.00	\$0.00	0.0%	\$0.00	\$0.00	\$0.00	0.0%
Total	\$0.00	\$0.00	0.0%	\$0.00	\$0.00	\$0.00	0.0%

5. **“Grant, Subfund, and Subgrant (PR35)”** This report provides similar information as the PR27, but provides the information at the subgrant level.

Fiscal Year	Fund Type	Recipient TIN	Organization Name	Authorized Amount	Suballocated Amount	Amount to Reserve	Amount Committed to Activities	Net Drawn Amount	
2014	EN	356001054	HAMMOND	\$356,385.00	\$104,096.25	--	\$0.00	--	
	AD	356001054	HAMMOND	\$35,638.50	\$0.00	--	\$35,638.50	--	
	CO	356001054	HAMMOND	\$15,000.00	\$0.00	--	\$15,000.00	--	
	CR	356001054	HAMMOND	\$53,457.75	\$53,457.75	--	\$0.00	--	
	PI	356001054	UNITED NEIGHBORHOODS, INC.	\$53,457.75	\$0.00	--	\$38,457.75	--	
2015	HA	356001054	HAMMOND	\$219,622.71	\$21,962.27	--	\$197,660.44	--	
	PA	356001054	HAMMOND	\$21,962.27	\$0.00	--	\$21,962.27	--	
	EN	356001054	HAMMOND	\$320,196.00	\$80,049.00	--	\$0.00	--	
	AD	356001054	HAMMOND	\$32,019.60	\$0.00	--	\$0.00	--	
	CO	356001054	HAMMOND	\$0.00	\$0.00	--	\$0.00	--	
	CR	356001054	HAMMOND	\$48,029.40	\$0.00	--	\$0.00	--	
				UNITED NEIGHBORHOODS, INC.	\$0.00	\$0.00	--	\$0.00	--
	PI	356001054	HAMMOND	\$73,791.25	\$6,757.08	--	\$21,238.16	--	
PA	356001054	HAMMOND	\$6,757.08	\$0.00	--	\$6,757.08	--		