

Undisbursed CDBG Funds at Risk of Cancellation - FY 2014 Grants – Webinar Transcript

Rob Sronce: Hello, and good afternoon, everyone. Thank you for joining today’s webinar, “Undisbursed Community Development Block Grant (CDBG) Funds at Risk of Cancellation, 2014 Grants.” For the next hour, we’ll walk you through how to know if you have a balance of 2014 CDBG grant funds, how to find those funds, and how to commit and draw those funds. Please note that this is not the live session. The recording of the live session was not acceptable quality, so we are rerecording this session to post on the HUD Exchange. We will include answers to some of the questions we received.

My name is Rob Sronce, and I’m with The Cloudburst Group. I am joined today by a panel of my colleagues at Cloudburst, Jon Kunz—hi, Jon—...

Jon Kunz: Hey, Rob.

Rob Sronce: ...and Susan Walsh. Hi, Susan.

Susan Walsh: Hi.

Rob Sronce: And although HUD is not joining us today for this rerecording, we would like to acknowledge the contributions of HUD Headquarters staff, Puping Huang and Erinn Martin. Also on the Cloudburst team, Niki Deininger, the registrar and host; Joel Warren, who managed the question queue; and Laura Detert, who worked on the slides we’ll be presenting today. Thank you all. And this webinar is made possible by technical assistance funding provided through HUD’s Office of Community Planning and Development. And at this time, I’ll turn it over to Jon.

Jon Kunz: Thanks, Rob. So, at the end of today’s session, we do hope that you’ll have a better understanding of how to find, release, and reallocate undisbursed 2014 grant funds and to ultimately complete 2014 fund draws by the end of the September 11, 2021, deadline.

Let’s just talk about the agenda a moment. First, we’ll do a brief overview of why you may have 2014 grant balances remaining and make sure that we have a foundation to talk about how to expend them. In this session, we will cover how to determine your 2014 grant balance status and how to find unexpended 2014 CDBG funds. We’ll look at three parts: the FY2014 funds available to commit, the FY2014 funds committed to activities, and finally, manual payments and returned funds in Activity 2. And finally, number four, we’ll be dealing with developing a spending plan and committing and drawing the 2014 CDBG grant funds by the deadline.

So who should be on this webinar? This webinar is intended for grantees that still have undisbursed 2014 CDBG funds. And if you do not have these 2014 grant funds, this webinar will not apply to you, although there are certain skill sets that may actually be of assistance in future years.

Why 2014 grant balances matter now. So, 2014 grants expire this September 11, and any 2014 funds remaining after that date will be lost to your program and your community. It is important that all the draws be requested and approved by you, the grantee, by September 11 to avoid losing these funds.

A little bit of an overview here. Since Federal year 2015, IDIS has followed a grant-based accounting method. So that's where funds are both committed and drawn on a specific grant year. For instance, the grantee would commit funds from a specific grant year, and IDIS would disburse funds from that same grant year no matter when the draw was made. So soon, these will be the only active grants. The 2014 grant is the last year that IDIS will file the first-in, first-out, or FIFO method. Under FIFO, IDIS would automatically fund and draw from the oldest grant available. You'll also hear these grants referred to as pre-2015 grants. Keeping this in mind will really help clarify some of the things as we proceed through the webinar.

So why do you still see 2014 grant funds when perhaps you had long ago completed your 2014 Action Plan activities? There are several reasons. First, your community may have cancelled an activity or completed an activity under budget. Not that uncommon. The unused budget would then be released into the line of credit, and perhaps they were just never reprogrammed by your community. Another big reason you may see 2014 grant funds remaining is that in the past, and this may even be a decade or two ago, your jurisdiction had returned funds to HUD, which then entered a credit in IDIS under Activity 2. If no one ever applied that credit to the original activity for which the funds were returned, these funds may still be stuck in Activity 2. We'll cover that in some detail a little bit later. And to give some context in why you're hearing about this expiration of 2014 CDBG grant years this year, where you may not have really heard about it before, goes back to the FIFO method that we just mentioned in the previous slide. Your prior grants did expire at the end of the eighth federal fiscal year, but IDIS automatically drew against those older funds before it went on to the new grant years. Because 2014 is the last year of the FIFO method, draws made against 2015 and later activities never went back to draw 2014 grant funds. So, everything is coming to a head this year, and going forward, grants will continue to expire, but we do not anticipate nearly the scale or complexity that the end of this FIFO-era has brought this year. And, of course, you'll be better prepared. Now, solutions are somewhat unique to each grantee, but we do hope that we'll be able to give you a little help to

have a better sense of the solution on your specific circumstances during this webinar.

We've been receiving many questions on the IDIS Ask A Question (AAQ) over on the HUD Exchange, and we think you may have some of these types of questions. A few examples for you: Why does my Field Office say I have \$4,050 in 2014 funds to use? I don't have that as an available balance. Another question: My grants tab says I have \$43,754 of 2014 CDBG committed to activities. How do I find it? Or: I ran a PR-02 report, and it says that I have money still in Activity 2. What do I need to do?

So now, we're going to delve a little deeper into the process for addressing your 2014 grant balances. This graphic illustrates the basics, and we'll go through each step in more detail. The first step is we'll determine the 2014 CDBG grant balance status. Once we do that—and that involves a little bit more than just figuring out your balance—we'll look at how to find unexpended funds. We'll look at the three different pots: what's available to fund and not currently committed; those funds that are committed to activities but not drawn; and some unresolved vouchers in Activity 2. Again, we're going to delve into those and how to deal with those. After that, we'll look at how to commit funds, including developing a spending plan, determining if you need an Action Plan amendment, and then the process of committing funds to faster-moving activities. And finally, we hope you'll be able to complete the draws by September 11, 2021. Now I'm going to turn it over to Susan.

Susan Walsh:

Okay, thanks, Jon. Let's delve into this a little more now. The first thing we want to do is determine the 2014 CDBG grant balance. And how do we do that? We're going to show you some steps on the next slide. What you want to do is go to your Grant tab in IDIS, and you're going to be searching for the grant. On this screen, you can see that it has grant year 2014. There are also reports you can run, like the PR-01 report, and we'll show that a little bit later. But when you go live in the system, you'll see exactly what's happening right now. You know, with reports, they're always delayed by one day, so this is a nice way to look at it.

On the next slide, we're going to see a little more detail. And here's where you want to do your search. You want to select CDBG. You can select 2014, or you can leave it blank if you want to see all your grants, but the one you want to view is 2014. You might think, well, do I have balances in other years? Maybe I had balances in 2013, 2012, or 2011. But you're not going to, because of the FIFO method that Jon talked about earlier, where the system always drew the oldest money first, and so you wouldn't have any older money from 2013 because it's always been drawn first. And also, last year the 2013 money expired, so even if you did have a balance last year, that money would have been recaptured by the Treasury.

Let's look at the next slide, and now we'll see what you see on the screen when you click the view on the Grant tab. And this is the bottom of the screen. There's a lot more information further up the screen. And this also is an example—you can see that there's no subfund. Many CDBG grantees—I would say most CDBG grantees—don't use the subfund feature, which is the AD or SU, but some do. In this example, though, there's no subfunded amount, and so you can just simply look at the amount committed to activities, amount available to commit, and amount available to draw.

The next slide will show some more information on this graphic. And if you look at these two circles, the left one is your entire grant. And of that entire grant, you have the amount that's been committed to activities, and then you have maybe a portion that's available to commit to activities. So that might be your situation. If you look at the smaller circle on the right, this represents the amount that's committed to activities from the circle on the left. Of that amount that's committed to activities, you've drawn hopefully most of that money, and then you may have a small portion of that that's committed but not yet drawn. We want to focus on the amount available to commit in the left section, which is money that has never been committed, and the amount committed but not drawn on the right-hand side.

Now, as I mentioned earlier, you can run a PR-01 report, which gives you information about your grant by year. As you can see in this example, you have these different columns. And you can see the amount committed to activities, the amount available to commit to activities, and then the amount available to draw. Now really, there can be three scenarios. They're not all shown here, but I'll go through them. The first scenario would be that your amount available to commit is equal to the amount available to draw. And if that's the situation, that means that all the money that's left in your grant is not committed to any activities, right? So, you have a total available to commit, and that same amount is available to draw; it's all available for you to use in new activities or to add to activities. The second scenario is where your available to commit is less than your available to draw, and that means that some of your money is committed in activities and then some of it is not committed and is available for funding. The third scenario would be your available to commit is zero, but you do have a balance that's available to draw, and that tells you that all the money is committed in activities. So now, we'll switch it back over to Jon, and he'll give you some more information about how to find those undrawn funds.

Jon Kunz:

Thank you, Susan. All right. After you'll have an understanding of the balances remaining for your 2014 grant, you'll then want to determine exactly where those remaining 2014 funds are located. Some funds may be simply uncommitted, and they will be available to fund to any activity. Next, you'll want to find 2014 funds committed to specific activities but not yet

drawn. And as you replace the 2014 grant funds in slower-moving activities, IDIS will release those funds to be committed elsewhere, so it kind of puts it back to that top pool where they're more available to commit to other activities. And then you can see if you have a balance in Activity 2, which may indicate collection payments, vouchers, or manual payments made for missed Section 108 payments that were never revised. Again, we're going to cover this later. Resolving these issues should release additional funds that can be committed to other activities. So that's kind of the process we're going to go through.

Now the big question is what are the open activities with undisbursed pre-2015 funds? This could normally require a fair amount of time-consuming detective work, but fortunately, HUD's Office of Block Grant Assistance has done a lot of the work for you. And they've developed a spreadsheet that they will periodically update. Your HUD Field Office may have the spreadsheet easily accessible, and I know that we are able to provide that to you. If you submit a question or request into the Ask A Question (AAQ), we can provide that same spreadsheet to you. We may also be able to post it.

All right, open activities. The Excel file, the open activities with pre-2014 funding, shows the remaining balances of your pre-2015 grant by activity. And just remember, the activity balances may include Section 108 payment debits and unapplied repayment credits.

The spreadsheet includes some simple instructions and filters, so instructions are—you'll see them right in the document. But essentially, you can filter by the grantee name and filter for balances that are greater than zero, and then you should know exactly which activities have balances of your 2015 grant funds. You can see that Activity 2 does behave a little differently. You can see the negative draws amounts in some instances, even in this example here. Now we'll go back to Susan, who will explain some of the intricacies of Activity 2.

Susan Walsh:

Okay, thanks, Jon. So now, let's get into a little more of the nitty-gritty of Activity 2 vouchers. As Jon mentioned, it might contain debits if HUD withdrew funds for overdue Section 108 payments. It is important to take care of these vouchers and put them in the proper place, because doing so gives you a clearer picture of the funds committed and available to commit. If you don't, then your available to commit funds can sometimes show more than what you really have as available. And then, you also may have these repayment credits in Activity 2, and these could be from years ago, and addressing these vouchers frees up the funds that are tied up in those credits. We'll look at a little bit more detail now.

What is Activity 2? A lot of people ask that question, and actually, you can see on the screen here we have an example of Activities 1, 2, and 3. There's

actually two more. Activity 4 is for HOPWA funds and Activity 5 is for HTF funds. It's historical data in there. For most grantees that have had grant funds for many, many years, you'll see that there are some historical draws that were made to bring IDIS into reconciliation with your LOCCS account when IDIS was first launched, and those usually show as converted. We're going to look at that in a minute. And then, there may be these funds taken for overdue Section 108 loan repayments, which were manual payments. It's also used for these returned funds for the overdrawn or ineligible activities. And then sometimes there's even some special adjustments that are made in this activity. So, this is an activity that HUD uses for these special purposes, and you can't edit it – you can't change the name of it, you can't edit the funding – all you can do is make some revisions with the vouchers that are in there.

You're going to want to see if there's a balance in Activity 2, because that helps you see if you have any of these vouchers that you need to deal with. You're going to look at the balance of Activity 2. In the system, you can just go to your activity funding and pull up Activity 2. You're only going to have a view option because you can't edit the activity funding.

The next slide is going to show you what you see when you look at this. And you can see that there is quite a lot funded, quite a lot drawn, and this, again, is because of those committed funds adjustment vouchers that were historical. So don't be alarmed by the amount of money that's in there, but mostly what you want to look at is the difference between the funded and the drawn amounts. Because if there's more money funded than drawn, then that indicates that you have a credit that's available to you to use for return funds, or if the amount that's drawn is more than the amount funded, that indicates that there may have been some manual payments taken from your line of credit.

Again, this may not be all 2014 money, so that's why you want to take a look at the actual vouchers that are in there. This screen shows you—we want to take a look and see, well, what are the vouchers that we see in Activity 2? There are some reports you can run, which we're going to show you in a minute, but also, like I said earlier, you can always just look right in the system and see live what's going on with everything. You can go to your Funding/Drawdown tab, and then on the left-hand side, you'll see the search vouchers option under drawdown. And this brings you to a search vouchers screen that you can search for any type of vouchers including by voucher number, line-item status, grant number, and so forth. You're probably used to searching by voucher number, but in this case, we want to search by activity number. You'll enter a "2" for the Activity ID. And one thing you want to do is take the date out of the earliest creation date. This is a default that you'll see when you get to that screen. It didn't used to be there, and a few releases ago, there's a default date in there now. You'll want to erase that date out of

there because you want to be able to see all the vouchers, even those that are before that default date. You can also change the line-item status to “completed,” if you don’t want to see any revised vouchers. Revised vouchers are historical, so if you want to see them, just leave that blank—the line-item status—and then you’ll see all the revised. But you don’t have to be concerned about revised vouchers, because those are just a historical record of what happened with that voucher.

Once you’ve clicked the search button, you’re going to see a list, and this is an example of what you might see on the screen. In this case, the results are page one of two, so there’s actually two pages of results here. This gives you a little bit of a representation of what types of vouchers you may see. Some say converted AD, and those were some of those old, converted vouchers that are historical. You’ll also see in this example some revised payments, so these were manual payments that were put into the system. They were originally completed, and they’ve since been revised, so you don’t have to be concerned with those. You’re only going to want to concentrate on the completed vouchers. In this case, there’s an example of one that’s completed MP, for manual payment, and that’s a positive amount. Then you see some examples of completed CO, which represents collection, and those are a negative amount. Also in this example, you can see where the completed MP, manual payment, for the positive, and then there’s a completed CO very shortly after that. If you look at the dates, it’s very close to that date, and that indicates that the grantee repaid the money that was taken from their line of credit for the late Section 108 payment. When those balance each other out, then you don’t have to worry about making any revisions, because the positive and the negative balance each other out. I’m going to talk about each of these types of vouchers now in the next few slides.

But first, this is an example of the PR-07 report, which is a nice report to run. You can run that by date range, if you’d like, or you can run it for all dates if you run the first version and then just filter out what you want to see for Activity 2. You can also run the PR-05 report for Activity 2 if you’d like. The PR-05 report will only show the completed vouchers. The PR-07 will show all the vouchers. And this will also give you everything on a neat report, but again, remember that the reports will always lag in IDIS by one day.

As I mentioned before, the converted vouchers are those ones that were made before IDIS was launched to get your LOCCS account in sync with everything, so you don’t have to do any revisions on those. You can’t do any revisions on those, and you can just ignore those.

Next, we’re going to look at the manual payment vouchers. Again, I know we’ve said this quite a few times, but sometimes it’s good to hear it more than once. But these were taken for overdue Section 108 loan repayments. If you had a Section 108 loan and you were late at all in making that payment,

then HUD takes that from your line of credit and puts this as a positive voucher in Activity 2, which represents a debit from your account. It shows up as a completed MP, meaning completed manual payment, and then once it's revised, it will show as revised. You might say, well, okay, then what do I do with these payments?

On the next slide, we're going to look at what you have to do to take care of these. The manual payment vouchers can't be revised by users. They have to be revised by the programmers. If you've identified some that need to be revised, then you can submit an Ask A Question on the HUD Exchange to request this assistance. We will also look over the payments with you to make sure that the right ones will be revised, because as I mentioned earlier, sometimes they will cancel each other out, so those don't have to be revised. If you have any questions, you don't necessarily have to know which ones have to be revised, but if you think some have to be moved, then submit an Ask A Question. And what the programmers will do then is move those vouchers—or voucher—to the Section 108 repayment activity. You should be having a Section 108 repayment activity set up, and you normally will set a new one up each year. And maybe you might have to set one up for this, because you might not have one already. And that's what we'll ask you to do to get ready, and then we'll have the programmers take care of it. But this is very important to take care of these, because if they aren't revised and moved out of Activity 2, then it's going to possibly give you an inaccurate balance of available to commit. It can sometimes show more funds available to commit than what you really have.

Next, we'll look at the collection vouchers, and these are the funds that were returned to your line of credit. Maybe you overdrew money, maybe you drew some money, and you didn't mean to, or you drew more money than you should have, so you sent the excess money back. Or sometimes it was an ineligible cost or an ineligible activity that was determined maybe through monitoring that you had to return the money to your line of credit. And these show up as a negative amount, meaning it's a credit, and they will show as completed CO, meaning collection. These vouchers you can revise yourself, and these you will be revising to the activity for which you returned the funds. Before we get into those details, though, the vouchers—you don't see this on this screen—but the vouchers will show with a grant number next to them, and that tells you the year of the money, and that's important to know when you do the revision.

The next slide will go through the process of revising these collection vouchers. And again, you have to identify what was the activity for which this money was returned. Now it could be one activity, or it could be more than one activity, but the vouchers show a year next to them. And there may be more than one of these collection vouchers. If you returned money for more than one year, you would have had to send in wires separately, so that

there was a collection voucher maybe for your 2005 money and then a separate collection voucher maybe for your 2006 money. That's important, because the funds that were originally expended from the activity for which you returned this money has to match the year in the collection voucher. And if it doesn't, then it can still be revised, but we'll have to get the programmers to help you. But what happens when you do this is, revising that negative voucher, or that credit as we said, reduces the drawn amount from the original activity and puts it back into the funded amount, which then can be used somewhere else before the deadline to spend these funds.

How do you know what activities to revise these to? We'll look at the next slide and see some ways that you can figure this out. In some cases, these collection vouchers are very old, and maybe there isn't anyone with the grantee that knows the history of why this money was sent back. We suggest that you look at some monitoring reports that perhaps were done around the time that these vouchers were returned. You can see in the system when you look at the vouchers, there will be a date, and that's approximately the date you sent back the money. It takes a couple weeks to process, so chances are, you would have sent that money back about one- to two-weeks before the date of the voucher. You can look at monitoring reports. You can look at audit reports. Maybe it was something from your single audit. You can look at your HUD correspondence. You can check with your HUD Field Office. And you can also run reports like the PR-07 report to see what draws you made from that same grant year. You want to look at the grant year of the money. You can even search in IDIS. When we were looking at that search voucher screen earlier, you noticed that we can also search by grant number. The grant number next to that collection voucher, you could paste that same grant number in your Search Voucher screen and search for those vouchers to see what pops up, and maybe try to find why this money was returned, if it matches something. But we have been told that if you've done your due diligence, you've looked for all of your records, and maybe you still can't figure out why these funds were returned, then we've been told that you can apply this back to the admin activity that originally drew those funds. For example, if it was 2005 money, then you would have to search for the admin activity that drew from 2005 money. That might not be—that probably wasn't your 2005 activity, but maybe it was your 2007 activity, because maybe in 2007 you were drawing 2005 funds because of first-in, first-out. But anyway, you can search that again by the PR-07 report or you can just search by the grant number, and then you can apply it to that activity.

On the next slide, when you do that—and one thing to note is that the activity has to be open in order to revise the collection voucher to it, and especially with these older vouchers, chances are, the activities will be completed. Before you revise that collection voucher, you will have to reopen the activity. If there's still going to be money left in it, you want to make sure you make a note of that original completion date before you click the reopen

button just so you have that handy. After you search for the activity, you'll see a view option. You'll click view, and then you'll see the Reopen Activity option at the top of the screen. And then after you revise those vouchers, then the funds will no longer show as drawn in that activity. It will now show as funded but not drawn, and you will want to make sure you release those excess funds by reducing activity funding or completing activity, which will release those funds. Then those funds will become available to commit, and you can now use them for other activities that are going to have draws before the September 11 deadline. There's a memo, "Methods for Returning Community Development Block Grant Funds," that gives you step-by-step directions on how to do these voucher revisions, but we also can give you the instructions and other information in the Ask A Question. If you have any follow-up questions about how to do these revisions or which vouchers to revise or anything like that, we're happy to give you some additional instructions on the Ask A Question by submitting that to the HUD Exchange. Next, we'll go to Jon, and he's going to go over some final information about how to use this final balance of funds.

Jon Kunz:

All right, great. Thanks, Susan. At this point, we're talking about what to do when you have found where your 2014 funds are and tucked away and resolved any of the outstanding activity to vouchers, as Susan just walked you through. So now, it's time to make sure your 2014 grant balance is committed to activities that can be expended, or really disbursed, by September 11. Let's talk briefly about developing a spending plan to make the deadline, and we'll also want to talk a little bit about a few things to consider, such as determining if an Action Plan amendment is needed.

At this point, your undisbursed 2014 grant funds are hopefully in two spots. Either they're not committed to an activity, including funds released from Activity 2, and therefore available for funding to other activities, or they're committed to activities that you have previously identified using the Excel file or other means such as the Activity 2 instructions Susan just shared. So, these activities may include 2014 funds that are just where they need to be, and you're confident that if you leave them in those activities, you'll expend them by September 11. Or it's also possible these activities are such that the 2014 funds won't be fully expended by September 11, and they will need to be reallocated. A quick reminder to the few CDBG grantees that may be listening that actually do use subfunds for CDBG, not HOME, but CDBG subfunds. In this case, 2014 funds may also be stuck in these subfunds, and there are a few extra steps. We won't cover that today, but if you do have questions, feel free to contact us through the IDIS Ask A Question, and we can help you identify ways to free up those funds as well.

Now let's talk about a few options to consider in your spending plan. Some of you may have an easier time, but some of you really need to be a little bit strategic. First, we'll look at existing activities that can disburse funds by

deadline. This is to identify and commit 2014 funds to activities that can be drawn against by September 11, 2021. This may include the activity in which the 2014 grant funds are currently committed, or you may need to identify other activities that are ready to draw down those funds by the deadline. In this case, you'll want to reduce funding from the later grant years. In many cases, you may be determined that you just simply swap 2014 grant funds with the new funds. Alternatively, you may need to reprogram these funds elsewhere if they are not needed. Just remember, CDBG admin is an option. They typically have steady draws that are needed, and there's a couple things about program income that we'll want to talk to you about as well. And by using these older funds in your admin activity for later years, you also might help yourself by making it easier to pass this newer second admin cap test. In any case, for many grantees on the phone who don't have that many funds to be expended, this may be really all you need to do. Now, grantees without standing Section 108 loan guarantee balances may be able to pay down some of their 2014 funds by using their 2014 grant. If you have outstanding Section 108 balances, you may want to consult with your Field Office and explore the possibility of using your 2014 entitlement grant to pay down these balances. In some cases, you may need to be more proactive. You may be familiar with this kind of exercise. Perhaps you do it as you approach your CDBG timeliness tests—you know, 60 days before the next program year, typically—and you've got to just make sure you find the way to expend these funds, and you may need to reallocate, etc. But in this case, it's just this added twist where you're going to focus on how to use your 2014 grant funds. You may need to look at other activities. You can review your activities and reach out to your partner agencies, subrecipients, or local governments (if you're a state), to see if there are needs that can be addressed during the summer. Some states we've heard about have even revised their method of distribution, you know, broadened the criteria, to make more projects eligible. Obviously, there is a timeline on that. You may be able to accelerate some work in payment schedules for infrastructure or other projects. If you're in the middle of some large infrastructure projects, you may find opportunities to say, okay, rather than receive the invoice when everything is done, there might be some interim payments you're able to make as long as the work is completed. And then time is short, but there may be some new activities that are ready to go this summer, and just obviously, you want to make sure that your environmental review requirements are met, and the work is completed before any payment is made.

A few other considerations that we want to look at. One is the impact of program income receipted. As you know, the requirement is that you must expend program income that you receive and report prior to drawing down regular entitlement funds. Just keep that in mind as you're looking at your spending plan and make sure you're accounting for that before assuming that you're going to be able to spend your 2014 grant funds. Do think a little bit about the impact on future grant deadlines. If you are swapping money—for

example, 2014 vs. 2015—you're going to have the 2015 grant deadline coming up next year. So just remember, swapping for different years of funds may impact future deadlines. Communication is very important. You want to do that immediately to work with your finance and accounting staff to make sure they're on board and you've got a program to make sure you're using the 2014 funds first and that you've got a plan. You may want to reach out to your subrecipients or units of local governments (if you're a state) to ensure that you're going to get their invoices soon, giving you sufficient time to review and disburse the funds before the deadline. You will want to look at your Citizen Participation Plan to see whether you've triggered—any of these changes will trigger a substantial amendment to your Action Plan, so you could build that into your timeline. And certainly, always reach out to your CPD HUD representative for any guidance on that and for additional questions.

And finally, hopefully if you've done all that work, you are ready to go and complete the draws. Just keep in mind that means that you must have somebody in your office first to create the draw, and then somebody else will need to approve the draw. So just make sure that's set. Also make sure that everybody has their IDIS IDs, that you're going online beforehand to make sure that they don't expire. And with that, I'm going to hand it back over to Rob.

Rob Sronce: Hey. Thank you, Jon, and Susan, for that. We're going to answer some questions that were submitted during the live webinar. And I'll go over to those now. Let's see. Let's start off with Susan and give you a rest there, Jon. The question is: If you have an amount available to commit but no amount to draw, do you need to be concerned?

Susan Walsh: Well, that can't happen, and if you don't have anything to draw, then that means your grant is zero, and you don't have a balance. Sometimes you do see this happen where it's showing an amount available to commit but nothing available to draw, and that's a little bit of an issue in the system that can happen, and this is usually due to those Section 108 manual payments. The balance in your grant, which is the balance to draw, is your true indicator of what you have left, and if that's zero, then you really don't have any 2014 funds left. But you'll still need to take care of those manual payments by submitting a question so that we can have the programmers move it to the correct activity and get that cleaned up.

Rob Sronce: Okay, thanks, Susan. Let's skip over to Jon. Is the September 11 deadline to create the voucher or to approve the voucher?

Jon Kunz: The deadline is to approve the voucher, so the draw really needs to be complete, and that means it both needs to be created and approved by the grantee, and then it should go over to LOCCS and send the money. I would

really try to make sure everything is done a few days prior to that. You don't want to be at that last deadline and find you neglected a step, so I would urge folks to try to get a little bit ahead of this and to make sure you're checking in the system the day before to make sure there's no open draws just sitting there or open vouchers that you thought you had approved and were ready to go but they are not.

Susan Walsh: And you know, Jon, this would be a good time, I think, to remind folks that you also—you mentioned earlier—to make sure your IDIS IDs are active, because users that don't login in 90 days will have their IDs deleted from the system. And we get questions all the time from people that are trying to login, and they can't, and it turns out their ID was deleted because they didn't use the system for at least 90 days. We really recommend that even if you're not a regular user, that you go in at least once a month just to keep your ID active. Just log into the system. You don't have to actually do anything like change anything or edit, but you have to at least login and just look at some screens, if nothing else, and that way you'll be sure that you'll have active access because there has to be a separate user that creates a voucher and approves a voucher.

Rob Sronce: Great. And here's one for you, Susan. The question is: If we cannot release or reallocate Activity 2 funds, what's the worst-case scenario?

Susan Walsh: Well, if you won't be able to draw those funds by the deadline, then they'll be recaptured by the Treasury. That means that the money doesn't even go back to HUD; it actually goes back to the General Treasury, which will be a shame, because it's money that could be spent on eligible activities. So that's kind of the worst-case scenario. We hope that doesn't happen.

Rob Sronce: Jon, here's a reporting question. This grantee ran a PR-03 report, and Activity 2, the grantee can clearly see a credit balance; however, they don't see that amount under Activity 2 when they search vouchers. What's going on there?

Jon Kunz: Well, it's a good question. In fact, it kind of comes into using some different IDIS reports as you're trying to investigate. One of the challenges we see—and we really did look at many of the reports to say, okay, how do you deal with some of these issues that deal with the older FIFO grants—and some of the reports are better suited to dealing with grant-specific issues once the 2015 grant year rolls around. The PR-03 report and the BOSMAC report is a report that I love for really looking at data, but I think I would use it less to help investigate where the status of a particular grant year is. It really wasn't designed for that. Similarly, grantees can use one of the PR-26 reports, or even the PR-07 report, to start to investigate some of these issues. But I would really recommend that for these pre-2015 activities, that you use the spreadsheet that the Office of Block Grant Assistance has made available to grantees, and that will help identify where your committed funds are locked

up immediately, and then turning over to—particularly if you have Activity 2 issues—looking at the PR-07 report or searching directly in IDIS to get some of the details. And sometimes it is still a mystery. You can do all those things and there is a mystery. Every once in a while, we have to dig deeper or even get the IDIS programmers involved. And if you get into that situation, do submit a question to the IDIS Ask A Question pool. We can both give you the report again if you need this report—if you can't get it from your Field Office, we're happy to send it your way—or try to walk you through any additional investigation.

Rob Sronce: Great. Thank you. And speaking of reports, there's a question for Susan. Does the PR-26 report show the 2014 funds?

Susan Walsh: So yeah, there's this newer PR-26 Activity Summary by Selected Grant Year Report. When you go to reports, you go to the PR-26 suite of reports, and you'll see the original Financial Summary, but you'll also see this newer one called the Activity Summary by Selected Grant Year. This report is great for seeing activities that are funded from the specific year that you're running the report for. You can run the report for more than one year. It will show you the sections for each year, and it just simply gives you a picture of what activities are funded from that particular grant year. And it's a great report, except that it doesn't really work properly for 2014 and earlier money. Sometimes it will show an activity as open but not with any balance, even though it does have a balance of 2014 money. It just wasn't designed to work with the FIFO money, and so it's not reliable for findings activities that have unspent 2014 money. That's why HUD made this Excel spreadsheet available for everyone. But it is a great resource for 2015 and later funds, and so we do highly recommend using that if you're trying to find whether other years' money—2015 and later—is located.

Susan Walsh: I know that another question that was asked was how to get this Excel spreadsheet. And I think we mentioned it earlier, but your Field Office probably will have it and they can give it to you. If you can't get it that way, we can provide that information to you through the IDIS Ask A Question on the HUD Exchange, so we'd be happy to give you that information if you need that as well. And again, this Excel spreadsheet shows what activities you currently have 2014 money in so that you can use it or release it from those activities.

Jon Kunz: Thank you, Susan. Anything else from your point?

Susan Walsh: No, I think that's it for me.

Jon Walsh: We want to draw your attention to some of the resources. There is the "Methods for Returning Community Development Block Grant Funds Memo." You'll be able to link to it directly when we post materials, or a

search in the HUD Exchange will be able to turn that up pretty quickly. There is another document, "Reporting Requirements in IDIS for Section 108 Loan Guarantee Recipients." That may be a useful guide. And then of course the IDIS User Manuals, both for entitlements and states, and the Online Reports User Guide. So that is really just a few of the resources. We also, of course, invite you to ask any follow-up questions through the HUD Exchange IDIS Ask A Question pool. We'll be ready to try to deal with any individual questions there.

Susan Walsh: I wanted to just finish up with something that Puping had wanted to mention to everyone: that this is now going to happen every year, where funds are going to expire. They have been happening, but it wasn't such an issue with the FIFO reporting. But now with grant-based accounting, next year in September, the 2015 funds will expire, and so the skills that you learn from this webinar will also help you identify and plan for those expiring funds when the time comes. And also, Activity 2, as I mentioned earlier, it may have vouchers from returned funds from 2015 and later years, and if that's the case, you do need to take care of those. It's really best to take care of them right after you return the funds or if there's a manual payment, sooner rather than later, so that everything can be in balance, and you can see the correct information in IDIS. So just wanted to wrap up with that as well.

Rob Sronce: Great. Thank you, Susan. And thank you everyone for joining us today. That's all the time that we have. Again, as Jon was mentioning, please take advantage of the resources on the HUD Exchange. Please submit any questions that you have after listening to this to IDIS Ask A Question. And thanks again to Jon and Susan, to Puping Huang and Erinn Martin for their contributions, to Laura Detert for the slides, Joel Warren for managing the questions, and Niki Deininger, our registrar and host. Good afternoon, everyone. Keep up the work and be well. Thank you.