

# Guidance for CDBG Grantees: Transition from First-In, First-Out to Grant-Specific Accounting in IDIS

## INTRODUCTION

Since its inception, IDIS has operated on a first-in, first-out (FIFO) basis to fund activities and disburse grant funds. Under FIFO, funding and disbursements are automatically made from the oldest grant with available funds. IDIS will continue to use the FIFO method for grant years 2014 and earlier. Beginning with the 2015 allocations, grant funds will be committed and disbursed in IDIS on a grant-specific basis. Under this accounting method, grantees will fund activities from specific grant years and disbursements will be only from those grant years.

This guidance explains how the IDIS funding and drawdowns functions have been modified to implement the transition from FIFO to grant-specific accounting, and identifies the impact that the change in accounting practices will have for CDBG grantees. Effects of the change on program income and other IDIS components are also discussed.

## ACTIVITY FUNDING

When funding an activity with a CDBG grant, grantees will see that the IDIS *Add-Edit Funding Line Item* screen is now divided into two sections (see Figure 1). The first section is used to fund activities with FY 2014 and earlier grants. Titled “Funding Source Pre-2015,” it is also referred to as the “FIFO funding source.” The second section is used to commit funds from FY 2015 and subsequent grants. For these funds, each grant year is a separate funding source.

CDBG grantees will fund activities from their pre-2015 grants exactly as they have funded activities in the past, and IDIS will continue to commit and disburse the funds on a FIFO basis. The only changes introduced for the pre-2015 Funding Source will be:

- The amount Available for Funding is the total unfunded balance of FY 2014 and prior year grants.
- The user-entered *Grant Year* (in Figure 1, 2013) cannot be later than 2014.<sup>1</sup>
- The source is assigned a Grant Year of “Pre-2015,” which is used at voucher creation to distinguish it from grant-specific sources (for an example, look ahead to Figure 2).

Figure 1: Snippet of Add-Edit Funding Line Item Screen

The screenshot displays the 'Add-Edit Funding Line Item' screen. At the top, it shows 'IDIS Activity ID: 25926' and 'Total Funded: \$0.00'. Below this, 'Activity Name: Water Improvements' and 'Total Drawn: \$0.00' are listed. The main section is divided into two parts. The first part, 'Funding Source Pre-2015', contains a table with columns 'Program', 'Grant Year (tip)', and 'Fund Type'. It shows a single row for 'CDBG' with 'Pre-2015' highlighted in yellow and 'EN' as the fund type. To the right, 'Available for Funding' is listed as '\$51,945,098.90'. Below this is a section for 'Current Funding for This Source' with a table for 'Grant Year (tip)', 'Funded Amount', and 'Drawn Amount'. It shows '2013' with a funded amount of '\$13,000' and a drawn amount of '\$0.00'. The second part, 'Funding Source', contains a similar table with rows for '2015', '2016', and '2017', all highlighted in yellow, each with an 'Available for Funding' of '\$43,757,560.00'. Below this is a section for 'Current Funding for xFIFO' with a table for 'Grant Year (tip)', 'Funded Amount', and 'Drawn Amount'. It shows '2015' with a funded amount of '\$15,000' and a drawn amount of '\$0.00', and '2016' and '2017' with funded amounts of '\$0.00' and drawn amounts of '\$0.00'. A yellow highlight separates the two main sections.

Program	Grant Year (tip)	Fund Type	Available for Funding
CDBG	Pre-2015	EN	\$51,945,098.90

Grant Year (tip)	Funded Amount	Drawn Amount
2013	\$13,000	\$0.00

Program	Grant Year	Fund Type	Available for Funding
CDBG	2015	EN	\$43,757,560.00
CDBG	2016	EN	\$43,757,560.00
CDBG	2017	EN	\$43,757,560.00

Grant Year (tip)	Funded Amount	Drawn Amount
2015	\$15,000	\$0.00
2016	\$0.00	\$0.00
2017	\$0.00	\$0.00

Separation of funding sources highlighted in yellow

<sup>1</sup> The *Grant Year* field for Pre-2015 will continue to function as before. Optional for entitlements and required for States (it is needed for the State PER). It has no effect on the FIFO processing of funding and draws.

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When funding activities from grant years 2015 and later, grantees will enter the amount to be committed by grant year. Each allocation is a separate funding source, and only the grant year(s) from which the activity is funded will be available for draws.

An activity may be funded with both the pre-2015 source and one or more grant-year-specific allocations. In Figure 1, the activity has been funded with \$13,000 from the pre-2015 source and with \$15,000 from grant year 2015. The \$13,000 will be funded and disbursed on a FIFO basis, and the \$15,000 will be funded and drawn from the FY 2015 grant.

### DRAWDOWNS

The IDIS drawdown function has been modified to incorporate the changes made in the activity funding process.

### Creating Vouchers

Grantees will continue to specify amounts to be drawn down from the funding sources listed on the *Create Voucher – Drawdown Amounts* screen. With the introduction of grant-specific accounting, those sources are now identified by the grant year from which the funds were committed (see Figure 2).

Figure 2: Snippet of the Create Voucher – Page 2 (Drawdown Amounts) Screen

Activity 1 of 1  
IDIS Activity ID: 25926  
Activity Name: Water Improvements  
Voucher Created For:  
Grantee/PJ Activity ID:  
Activity Owner:

Available Drawdown Amounts for This Activity

Recipient Name	Program	Grant Year	Prior Program Year	Funded Amount	Available to Draw	Drawdown Amount
	CDBG	Pre-2015	No	\$13,000.00	\$13,000.00	130
	CDBG	2015	No	\$15,000.00	\$15,000.00	150

Confirm Voucher | Previous Activity | Next

Draws from Grant Year “Pre-2015” will be made against FY 2014 and earlier grants on a FIFO basis. Draws from a specific Grant Year (2015 and later) will be made against that allocation.

For example, when the above draw request (Figure 2) is submitted, the voucher (Figure 3) shows that the Pre-2015 amount will be drawn from the earliest grant with available funds—in this case, the FY 2011 allocation, despite the fact that the user entered a Grant Year of 2013 on the funding screen (Figure 1). Although the entry of the Grant Year as “2013” did not influence the voucher, it will continue to influence certain reports, such as the PR28, State PER.

Figure 3: Snippet of the Create Voucher – Page 4 Screen

Voucher Details						Prior Program Year	Drawdown Amount
Line Item #	IDIS Actv ID	Activity Name	Program	Grant Year	Grant #		
1	25926	Water Improvements	CDBG	2011	B11DC370001	N	\$130.00
2	25926	Water Improvements	CDBG	2012	B15DC370001	N	\$150.00
						Total	\$280.00

The 2015 amount will be drawn against the 2015 allocation, the same grant from which the grantee funded the activity.

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### **Revising Vouchers**

Grantees can only revise a draw from one activity to other activities funded from the same grant year, source organization, recipient organization, and fund type. For example, a 2015 EN draw could be revised to an activity funded with 2015 EN funds, but not to an activity funded with Pre-2015 EN.

If a draw needs to be revised between activities not funded with the same funding source, then:

- If the draw is against a source with a balance available for funding, then by adding funding from that source to the new activity, the voucher may be revised.
- If the draw is against a source that is fully obligated, then reducing that source's funding for other activities will increase the balance available for funding, allowing that unfunded amount to be added to the new activity, thereby allowing the voucher to be revised.
- If the draw is against a source that is fully expended, then the funds will need to be repaid to the line of credit instead of revising draws. Then the returned funds can be used for the new activity.

Planning and special attention to funding an activity from the correct grant year will help grantees avoid the time-consuming process of revising vouchers.

### **THE IMPACT ON GRANTEES**

With the move to grant-specific accounting, grantees must assume more responsibility for ensuring that grant funds are expended within required timeframes. Under the National Defense Authorization Act of 1991, the CDBG grantee has a total of eight years to expend its annual allocation<sup>2</sup>. CDBG grant funds not disbursed from the grantee's line of credit after eight years will be recaptured by the U.S. Treasury at the end of that Federal fiscal year. For example, unexpended funds in the grantee's line of credit for the 2008 allocation will be recaptured by the Treasury at the end of Federal fiscal year 2015. This provision strictly applies to the Treasury account, and does not apply to program income or grant funds reimbursed to a local account.

This has not been a significant concern for CDBG grantees because of the FIFO drawdown method in IDIS. Going forward, grantees will need to pay closer attention to the unexpended balances of older grant years, adjusting activity funding as necessary to prevent funds from being recaptured. When balances from older grants are used to fund more current activities, grantees should remember that an Action Plan amendment may be necessary if the planned use of the older funds is changed. (See further details below.)

### **PROGRAM INCOME CHANGES**

Under grant-specific accounting, CDBG general program income (fund type PI) will continue to be funded and disbursed FIFO. Revolving loan funds (RL) and State revolving funds (SF) will be funded and disbursed on a program/receipt year-specific basis.

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<sup>2</sup> The requirements of 31 U.S.C. 1552 state that on September 30 of the fifth federal fiscal year after the *period of availability for obligation* of a fixed appropriation account ends, the United States Treasury account shall be cancelled and any remaining balance (whether obligated or unobligated) shall be canceled and therefore not available for obligation or expenditure for any purpose. HUD's *period of availability for obligation*, i.e. to make CDBG grants, is typically three fiscal years including the first, as stated in each annual appropriations act, thus resulting in the Treasury account being cancelled at the end of its eighth federal fiscal year.

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### PI Funding and Draws

The PI fund type appears on the Activity Funding screen as a single source, as before (see Figure 4).

Figure 4: Snippet of the Add-Edit Funding Line Item Screen for PI

Funding Source							
Program	Fund Type	Source Name	Source Type	Recipient Name	Available for Funding	Funded Amount	Drawn Amount
CDBG	PI	HUD	MC	EUGENE, OR	\$0.00	\$2,850.50	\$0.00

  

Current Funding for This Source		
Program Year of Receipt	Funded Amount	Drawn Amount
2012	\$ 2,850.50	\$0.00
<a href="#">Add Program Year of Receipt</a>		

The *program year of receipt* field (Figure 4) only influences the State PER, the PR28. Current IDIS functionality is such that a **draw** against PI will be captured on the State PER for the year entered into the *program year of receipt* field of the **funding screen**. However, as indicated in [CPD Notice 11-03](#), program income belongs to the PR28 report year in which it is disbursed. The PR28 report will be modified in accordance with the notice. This fix is scheduled for correction in IDIS release 11.11.

On the *Create Voucher – Drawdown Amounts* screen (Figure 5), the PI funding is assigned a program year of receipt of “All.” This indicates that the PI source includes the funding available in the PI accounts for all program years.

Figure 5: Snippet of Create Voucher – Page 2 (Drawdown Amounts) for PI

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
EUGENE, OR	CDBG	Pre-2015	EN	HUD	MC	N	\$55,000.00	\$55,000.00	\$ 0
EUGENE, OR	CDBG	All	PI	HUD	MC	N	\$2,850.50	\$2,850.50	\$ 0

[Confirm Voucher](#) | [Previous Activity](#) | [Next Activity](#)

The PI line item will be drawn FIFO. The program year of the PI account from which the draw is actually made is displayed in the Program Year of Receipt column on the Page 3 and 4 Create Voucher screens.

Also as before, grantees will have the option to draw against available PI, even if the activity was not specifically funded with PI. This auto-adjustment feature, shown in Figure 6, is intended to remind grantees of the requirement to spend cash-on-hand before drawing against their line of credit. If the user chooses to draw PI in lieu of EN, the EN funding for the activity will be automatically reduced and the PI funding automatically increased by the amount of PI drawn.

Figure 6: The Auto-Adjust Function

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
BRISTOL, CT	CDBG	Pre-2015	EN	HUD	MC	N	\$30,000.00	\$30,000.00	\$ 5,000
BRISTOL, CT	CDBG	All	PI	HUD	MC	N	Automatically increased to match ALL EN funded amount. Draws against this amount will reduce funding of the most recent grant funding first.	\$30,000.00 The combined EN + PI drawdown amount must not exceed the original total available-to-draw amount of \$30,000.00	\$ 25,000

[Confirm Voucher](#) | [Previous Activity](#) | [Next Activity](#)

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In the example above, the \$25,000 of PI will be funded and drawn and the \$25,000 reduction in EN funding will be made from the most recent grant first. By auto-adjusting and reducing the funding of the most recent grant first, the older grant funding is left intact, thereby encouraging grantees to expend funds from their older grants first.

If the grantee wishes to avoid the automatic adjustment of EN funding, it is recommended that PI be specifically funded to the activity before the voucher is created.

### RL/SF Funding and Draws

As a consequence of grant-specific accounting changes, the RL and SF fund types have been divided into separate sources by Program Year of Receipt. Except that the division of sources is based on Program Year rather than Grant Year, the Add-Edit Funding Line Item screen for RL and SF (See Figure 7) is identical to the funding screen for grant sources. This functionality is scheduled to be updated in IDIS release 11.11 in order that RL and SF are each represented as single sources, similar to PI.

Figure 7: Snippet of the Add-Edit Funding Line Item Screen for RL

Funding Source Pre-2015								
Program	Program Year of Receipt	Fund Type	Source Name	Source Type	Recipient Name	Available for Funding	Funded Amount	Drawn Amount
CDBG	Pre-2015	RL	HUD	MC	ALEXANDRIA, VA	\$0.00	\$430.00	\$0.00

**Current Funding for This Source**

Program Year of Receipt	Funded Amount	Drawn Amount
<input type="text"/>	\$ <input type="text" value="430.00"/>	\$0.00

Funding Source								
Program	Program Year of Receipt	Fund Type	Source Name	Source Type	Recipient Name	Available for Funding	Funded Amount	Drawn Amount
CDBG	2015	RL	HUD	MC	ALEXANDRIA, VA	\$380.00	\$150.00	\$0.00

**Current Funding for xFIFO**

Program Year of Receipt	Funded Amount	Drawn Amount
2015	\$ <input type="text" value="150.00"/>	\$0.00

As with PI, The *program year of receipt* field (Figure 4) only influences the State PER, the PR28. Current IDIS functionality is such that a DRAW against RL or SF will be captured on the State PER for the year entered into the *program year of receipt* field of the funding screen. However, as indicated in [CPD Notice 11-03](#), program income including RL and SF belong to the PR28 report year in which they are disbursed. The PR28 report will be modified in accordance with the notice. This fix is scheduled for correction in IDIS release 11.11.

Before the scheduled updates in IDIS release 11.11 and given that CDBG program regulations do not distinguish between the year of receipt for obligation and expenditure purposes, grantees are simply encouraged to make draws against their earliest RL and SF accounts first.

At voucher creation, the RL and SF sources are identified by the Program Year of Receipt from which the funds were funded (see Figure 8).

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Figure 8: Snippet of Create Voucher – Page 2 (Drawdown Amounts) for RL

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
ALEXANDRIA, VA	CDBG	Pre-2015	EN	HUD	MC	N	\$27,309.00	\$17,944.11	\$ <input type="text" value="0"/>
ALEXANDRIA, VA	CDBG	All	PI	HUD	MC	N	\$0.00	\$0.00	\$ <input type="text" value="0"/>
ALEXANDRIA, VA	CDBG	Pre-2015	RL	HUD	MC	N	\$430.00	\$430.00	\$ <input type="text" value="0"/>
ALEXANDRIA, VA	CDBG	2015	RL	HUD	MC	N	\$150.00	\$150.00	\$ <input type="text" value="0"/>

[Confirm Voucher](#) | [Previous Activity](#) | [Next Activity](#)

Draws from Program Year of Receipt “Pre-2015” will be made against 2014 and earlier RL/SF accounts on a FIFO basis. Draws from a specific Program Year of Receipt (2015 and later) will be made against that account.

### EFFECTS ON OTHER IDIS COMPONENTS

Other IDIS modules and functions that have been affected by the move from FIFO to grant-specific accounting are identified below.

#### eConPlanning Suite and the Annual Action Plan

There are no significant changes planned for the eCon Planning Suite as a result of the transition to grant-specific accounting. However, grant-specific accounting strengthens the link between planning, grant management, and reporting.

Since May 2012, the Consolidated Plan and Annual Action Plan and CAPER have been incorporated into IDIS Online. This change enabled all key elements of the grants management cycle to be integrated into one system, beginning with the eCon Planning Suite. The single system establishes a cohesiveness between the goals described in the Consolidated Plan and Action Plan and the outcomes tracked in IDIS and reported in the CAPER, making the system an even more useful management tool for tracking performance and tying funding to performance.

Reports in IDIS Online can be run throughout the program year to monitor progress and performance against the goals established in the Consolidated Plan and Annual Action Plan. Those reports will provide opportunities for grantees to identify any underspent projects, and to reallocate these funds to projects in Annual Action Plans. Additionally, CDBG grantees will need to have an adequate pipeline of projects to fully utilize their CDBG allocations and available program income in a timely manner.

The reallocation of prior year funds may impact annual Action Plans and may require substantial amendments and citizen participation.

#### MicroStrategy Reports

Existing reports have been updated to provide information on activity funding and drawdowns by grant year. In some reports, such as the PR03-CDBG Activity Summary Report, new sections have been added showing this information. In others, such as the PR02-List of Activities by Program Year and Project, grantees will be able to drill down to the funding and draw data by clicking on a specific activity. A complete list of report updates is available in the release notes for IDIS 11.10.

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### Subfunds and Subgrants

CDBG subfunds (AD-Administration, SU-Subgrants, and TA-Technical Assistance) and the subgrants created from them have always been treated as grant-specific at the activity funding level, although that was not apparent on the funding screen. For the pre-2015 (FIFO) grants, when vouchers are applied, IDIS will continue to treat draws from subgrants on a FIFO basis, using the oldest subgranted money first. Beginning with 2015 grants, activities must be funded from specific years' subgrants and disbursements will be made from the same subgranted funds that are committed to the activity.

### THE NEW LOCAL ACCOUNT REPAYMENT RECEIPT FUND

In some cases, HUD allows grantees to make a repayment for an ineligible activity to a local account and use those funds for other eligible CDBG activities. Previously, these funds were not systematically tracked in IDIS. With the release of IDIS 11.10, grantees must now track repayments to local accounts through the Local Account Repayment receipt fund, or LA fund.

The LA fund will function much like the other IDIS receipt funds, such as PI or RL. Users will indicate that a repayment has been made to their local account by creating a receipt under the LA fund type. The grantee will associate the repayment with the activity ID and the specific grant year being repaid. The grantee will also report on the re-use or expenditure of the funds by grant year.

### Adding an LA Receipt

Grantees should note that LA receipts can only be created for local account reimbursements of grant fund types (EN, AD, SU, and TA). LA receipts cannot be created for program income (PI, RL, and SF) because those funds are reimbursed in IDIS by simply cancelling the associated vouchers. To create an LA receipt, the user will fill in the Add Receipt screen as shown below:

Figure 9: Add Receipt Screen Completed for the LA Fund Type

Formula Receipt									
<b>*Program:</b> CDBG		<b>Receipt Type:</b> Select Type							
<b>*Program Year of Receipt:</b> 2015		<b>Description:</b>							
<b>*Source Type:</b> DC STATE ADMINISTERED-SMALL CITY / HOME CONSORTIUM		<b>Grantee Receipt #:</b>							
<b>*Fund Type:</b> LA GRANT SPECIFIC REPAYMENT TO LOCAL ACCOUNT		<b>Total Amount:</b> \$							
<b>IDIS Activity ID:</b> 5201		<input type="button" value="Show Activity Funds"/>							
Recipient	Source Name	Source Type	Grant Year	Fund Type	Drawn Amount	Previous Local Account Repayments	Remaining Balance	Local Account Repayment - Receipt Amount	Grantee Receipt #
ALABAMA	HUD	DC	2012	EN	\$112,908.08	\$0.00	\$112,908.08	\$ 56459.04	
ALABAMA	HUD	DC	2011	EN	\$115,091.92	\$0.00	\$115,091.92	\$ 57545.96	
								<b>Total:</b> \$114,005.00	

The user enters the required fields, including the ID of the activity being repaid, and clicks the [Show Activity Funds] button. The system displays a table with one row for each *Grant Year* and *Fund Type* from which funds were drawn for the activity. The table in Figure 9 shows that for this activity, draws of EN were made against the 2011 and 2012 annual grants.

For each *Grant Year* and *Fund Type*, the table shows the drawn amount, any previous LA repayments, and the remaining balance. The user enters the *Receipt Amount* and, optionally, the *Grantee Receipt #*.

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When the receipt is saved:

- 1) Individual receipts, with distinct receipt numbers, are created for each source,

*Figure 10: From the Search Receipts Screen*

Program Year of Receipt	Fund Type	Receipt Number	Associated Grant #	IDIS Activity ID	Amount
2015	LA	5154625	B-11-DC-01-0001	5201	\$57,545.96
2015	LA	5154624	B-12-DC-01-0001	5201	\$56,459.04

- 2) The LA funds are made available for funding other activities,

*Figure 11: From the Activity Funding Screen*

Funding Source				Available for Funding	Funded Amount	Drawn Amount
Program	Grant Year	Fund Type	S			
CDBG	2011	LA	HUL	\$57,645.96	\$0.00	\$0.00
CDBG	2012	LA	HUF	\$54,449.04	\$0.00	\$0.00

  

Current Funding for xFIFO		
Grant Year (tip)	Funded Amount	Drawn Amount
2011	\$	\$0.00
2012	\$	\$0.00

- 3) And the repaid amounts will update for the next payment.

*Figure 12: From the Add LA Receipt Screen*

Grant Year	Fund Type	Drawn Amount	Previous Local Account Repayments	Remaining Balance	Local Account Repayment - Receipt Amount
2012	EN	\$112,908.08	\$56,459.04	\$56,449.04	\$
2011	EN	\$115,091.92	\$57,545.96	\$57,545.96	\$
					<b>Total:</b>

### Vouchers That Have Been Repaid by LA Receipts

When an LA receipt is created to indicate that CDBG funds expended on an activity have been repaid to a local account, the grantee will treat the vouchers for that activity as follows:

- The grantee will leave vouchers for grant funds (EN, AD, SU, and TA) untouched and **request the activity to be cancelled with draws**. These vouchers cannot be cancelled and the grantee shall NOT revise them. They will remain in place as a record of the draws against the now-cancelled ineligible activity. **LA receipts for the activity will be reported as offsets against the vouchers.**
- The grantee will cancel any vouchers for program income funds (PI, RL, and SF) or local account (LA) funds and reduce the activity funding to zero for those fund types. When the funding is set to zero for those fund types, IDIS will automatically increase the *available for funding* balance of the associated fund type. Because of that system action, the grantee should not re-receipt the program income funds.

### The Re-Use of LA Funds

By funding and drawing LA funds for new or existing activities, grantees will record in IDIS how CDBG grant funds repaid to their local account were expended and the accomplishments that were achieved with them.

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The LA funds were originally associated with a specific grant year. The re-use of those funds will be associated with that same grant year.

### STATE CDBG: SUBGRANTING OF PI, RL AND SF

State CDBG grantees now have the option of creating subgrants for the PI, RL and SF fund types. This functionality is not available for Entitlement CDBG grantees.

The State CDBG program allows for the retention of program income by units of general local government (UGLGs). When program income retained by an UGLG is receipted into IDIS, however, the association between the funds and the UGLG is no longer apparent. That association can be maintained through the creation of subgrants.

This is best explained by examples from the Edit Activity Funding screen. Without subgranting, the State's available program income shows as a single source:

Figure 13: Available PI without Subgranting

Available Funds						
Recipient Name	Program	Fund Type	Source Name	Source Type	Available for Funding	Funded Amount
COLORADO	CDBG	PI	HUD	DC	\$500,000.00	\$0.00

After the State subgrants PI to two UGLGs, the PI available for funding is broken out by *Recipient Name*:

Figure 14: Available PI with Subgranting

Available Funds						
Recipient Name	Program	Fund Type	Source Name	Source Type	Available for Funding	Funded Amount
ARCHULETA COUNTY, CO	CDBG	PI	COLORADO	DC	\$5,000.00	\$0.00
BRIGHTON, CO	CDBG	PI	COLORADO	DC	\$5,000.00	\$0.00
COLORADO	CDBG	PI	HUD	DC	\$490,000.00	\$0.00

Note that the total amount of PI available to the State has not changed.

Subgranting thus provides a means for States to track locally-retained program income in IDIS. Additionally, it should reduce the risk that a State would fund an activity in one community with the program income from another community.

### Creating a Program Income Subgrant

To add a program income subgrant in IDIS, select the Grant tab at the top of any page. On the navigation bar at the left, select the Subgrant Program Income [Add](#) link.

The user will need to provide the following information (see Figure 15) to create the subgrant:

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Figure 15: Snippet of Add Subgrant of Program Income Screen

**Subgrant Program Income**  
Add Subgrant of Program Income

Save | Reset

\*Indicates Required Field

\*Subgrant Recipient Name (tip)  
Select Organization

\*Program: (tip)  
Select

\*Program Year of Receipt: (tip)  
Select

\*IDIS Fund Number: (tip)  
Select

\*Fund Type: (tip)  
Select

Check Balance

**Range for Authorized Amount**

Minimum	Maximum

\* Authorized Amount for this Subgrant \$

Save | Reset

**Show Availability**

Program: (tip) Program Year of Receipt: (tip) IDIS Fund Number: (tip) Fund Type: (tip)  
Select Select Select Select Show

The *Program Year of Receipt* is the year of the program income account from which the subgrant is to be funded. The user can quickly find the amount available to subgrant in each account with the “Show Availability” feature at the bottom of the screen. Select CDBG from the *Program* dropdown and tab through the next two fields. From the *Fund Type* dropdown, select the type of program income to be subgranted, and then click the [Show] button.

The State can create subgrants from multiple *program years of receipt* for a recipient organization. Funding and draws against that recipient’s line of available program income will be made from the earliest program year account first.

When creating a voucher against a subgrant, State users will need to make a minor manual adjustment on the first drawdown screen: the *Voucher Created For* field must be changed to match the local government for which the subgrant was created. For example, to draw on the PI subgranted to Archuleta County (see Figure 16), the user will have to change the selection from *Colorado* to *Archuleta County, CO*.

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Figure 16: Creating a Voucher against a Subgrant

**Drawdown**

Create Voucher - Page 1 of 4 (Select Activities)

[Continue](#)

\* Indicates Required Field

\*Voucher Created For: (tip)  
ARCHULETA COUNTY, CO

Requested LOCCS Submission Date: (tip)  
(mm/dd/yyyy)

Activity Owner: (tip)  
COLORADO

\*IDIS Activity ID


[Search for Activities](#) | [Reset](#)

This functionality is not new, but may be unfamiliar to users who have not used subgrants in the past.

### QUESTIONS?

If you have additional questions about the IDIS functionality, please use the Ask-A-Question feature on the HUD Exchange: <https://www.hudexchange.info/get-assistance/my-question/>