



# Guidance for HOPWA Formula Grantees: IDIS Transition from First-In-First-Out (FIFO) to Grant-Based Accounting (GBA)

Historically, the Integrated Disbursement and Information System (IDIS) has operated on a first-in, first-out (FIFO) basis under which charges were automatically made against the grantee's oldest Federal Fiscal Year (FFY) allocation funds remaining available in the account.

Figure 1: First In, First Out



Recently however, the Office of the Inspector General (OIG) and the Office of Management and Budget (OMB) determined that the FIFO accounting methodology does not comply with federal fiscal standards. This means that all formula programs under HUD's Office of Community Planning and Development's (CPD) must now shift to a new grant based accounting (GBA) method in IDIS.

Figure 2: Grant Based Accounting

## Grant Based Accounting

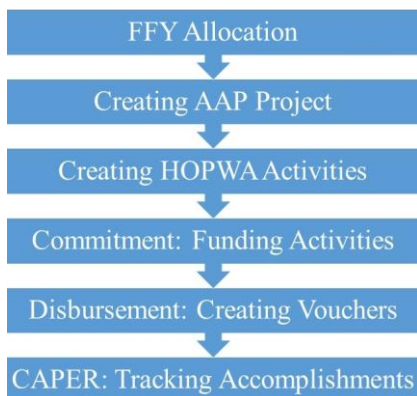


Activities are funded with specific FFY Allocations, and vouchers can only be drawn against that allocation.

Starting with the FFY2015 allocation, charges are no longer made *automatically* against the oldest available funds in the account. Grantees must now *manually* identify which FFY allocation should be charged to fund an activity or create a voucher.

## GBA and e-Con Planning Suite:

Coinciding with the introduction of GBA, CPD grantees are now also required to produce their Consolidated Plans/Annual Action Plans (AAP) in IDIS. The combination of these changes has made it necessary for HOPWA grantees to revise their project and activity structure in IDIS. The new structure will clearly track funds from each FFY allocation through commitment and disbursement.



**Creating IDIS Projects through AAP:** Moving forward, HOPWA Projects will be created through the AAP in IDIS. (*Note: this shift may represent a change in personnel identified to create projects in IDIS.*) These projects will represent the entities receiving money from the specific FFY allocation in order to carry out the HOPWA services outlined in the AAP. For this reason, HOPWA program staff should be actively involved with the local Consolidated Plan partners during to the AAP development process.

### Quick Facts: Creating New HOPWA Projects

- Who/What:** 1 project for the grantee & 1 project for each project sponsor
- Where:** In e-Con Planning Suite (AP-35)
- When:** New projects should be created for each new FFY allocation during the AAP development process
- Naming Convention:**  
FFY + Agency Name + Grant Number + Agency Abbreviation

### Creating IDIS Activities:

When a grantee prepares to begin using an allocation, grantees must locate the Projects established in eCon Planning Suite to create HOPWA activities for each of the project's HOPWA services before vouchers can be created and funds can be drawn. During Activity set-up, grantees will select the corresponding HOPWA project that was created through the AAP. This will associate each activity to the correct FFY allocation. (*Note: This means a single activity should no longer be funded using multiple allocations.*)

### Quick Facts: Creating New HOPWA Activities

- What:** 1 activity for each of the project's HOPWA services; \*Reporting Activity: 1 for project sponsor; up to 2 for grantee
- Where:** Add Activity screens. Must select the corresponding project that was created in AAP.
- When:** New activities created for each new FFY allocation. A new Accomplishment Year will be added to the activity for each new 12-month reporting cycle (often called Operating Year).
- Naming Convention:**  
FFY + Service Type + Grant Number + Agency Abbreviation

## Funding IDIS Activities:

After grantees set up the projects and activities to align with a single FFY allocation, the next step is to fund an activity by selecting the corresponding FFY allocation along with the amount from that FFY allocation to commit to the activity. The updated IDIS *Add-Edit Funding Line Item* screen will provide the amount of money available to fund the activity from each FFY's allocation (called 'Grant Year') starting with FFY 2015 funds (*See next column for Pre-2015 funds.*) It is important to select the FFY allocation that corresponds with the AAP's project set up under that same FFY allocation and associated with the activity being funded.

IDIS Screen Quick Glance: Funding New HOPWA Activities			
Funding Source			
Program	Grant Year	Fund Type	Source Name
HOPWA	2015	EN	HUD
HOPWA	2016	EN	HUD
HOPWA	2017	EN	HUD

Current Funding for xFIFO		
Grant Year (tip)	Funded Amount	Drawn Amount
2015	\$ 50,000.00	\$0.00
2016	\$ 0.00	\$0.00
2017	\$	\$0.00

## Creating IDIS Vouchers:

Once the activity is funded, the grantee can use the IDIS *Create Voucher* screen to initiate the draw to disburse funds. Similar to the activity funding process outlined above, the *Create Voucher* screen will provide the amount of money available to draw from each FFY's allocation (called 'Grant Year'). It is important to continue to select the FFY allocation that corresponds with the AAP's project set up under that same FFY allocation and associated with the activity.

IDIS Screen Quick Glance: Creating New HOPWA Vouchers					
Client Name	Program	Grant Year	Funded Amount	Available to Draw	Drawdown Amount
ATLANTA, GA	HOPWA	Pre-2015	\$25,000.00	\$25,000.00	\$
ATLANTA, GA	HOPWA	2015	\$50,000.00	\$50,000.00	\$

Note: IDIS is still being revised to reflect these changes. Currently, the system will *not* prevent a grantee from funding/creating vouchers for a single activity with multiple or incorrect allocations; however, these system rules are forthcoming and should be followed starting with the FFY 2015 allocation projects and activities.

## Transitioning to New IDIS Structure & Using Remaining Pre-2015 Funds:

Many grantees do not regularly review their spend-down by a FFY's allocation, since, under the FIFO model, charges were automatically made against the oldest available funds. In order to transition to GBA and adhere to commitment or expenditure deadlines, grantees should closely track all available funds by an individual FFY's allocation.

Most HOPWA grantees are currently spending FFY2013 or FFY2014 allocations (*note some continue spending earlier funds*). In order to smoothly transition grantees to GBA, the HOPWA IDIS Technical Assistance team will provide direct guidance to grantees on setting-up and/or using pre-2015 projects and activities to spend down the remaining funds from allocations prior to FFY2015.

## Using Pre-FFY2015 Allocations to Fund Activities and Create Vouchers:

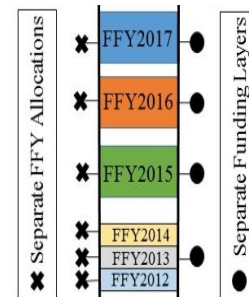


Figure 3: Funding Layers

It is important to note that Pre-FFY2015 funds still operate under FIFO, meaning the oldest funds continue to be drawn first automatically. For this reason, all remaining pre-FFY2015 funds are consolidated into a single line item or "funding layer" on the *Add-Edit Funding Line Item* and *Create Voucher* IDIS screens. Grantees will identify the dollar amount to be used based on the source for funding on both screens (circled in red below). Grantees will also identify the specific FY allocation on the *Add-Edit Funding Line Item* screen (circled in blue below).

IDIS Screen Quick Glance: Fund Activities & Create Vouchers			
Funding Source Pre-2015			
Program	Grant Year (tip)	Fund Type	Source Name
HOPWA	Pre-2015	EN	HUD

Current Funding for This Source		
Grant Year (tip)	Funded Amount	Drawn Amount
2014	\$ 25,000.00	\$0.00

Client Name	Program	Grant Year	Funded Amount	Available to Draw	Drawdown Amount
ATLANTA, GA	HOPWA	Pre-2015	\$25,000.00	\$25,000.00	\$
ATLANTA, GA	HOPWA	2015	\$50,000.00	\$50,000.00	\$