Chapter 21
CANCELLING ACTIVITIES WITH HOME DRAWS

As explained in Chapter 3, an activity is canceled in IDIS by changing the ACTIVITY STATUS on the common Edit Activity screen.

If there are no draws against an activity, select Canceled from the ACTIVITY STATUS dropdown and click the [Save] button.

If funds have been drawn for the activity, the net amount of funds drawn for the activity must be reduced to zero before it can be canceled by the PJ. One way to reduce the drawn amount of an activity to zero is to revise draws to other HOME activities. The HOME Program permits PJs to revise draws to other HOME activities through the Maintain Voucher function (see page 19-21) only for the following reasons:

a) To apply repayment “Collection” Vouchers from activity 1 to ineligible activities for which the repayment was made. See HOME FACTS Vol.1 No.1 for more information.

b) To reconcile expenditures after HOME funds are drawn for the wrong activities.

c) To consolidate vouchers under a single activity when PJs mistakenly set up two or more activities for a single HOME project.

d) To comply with the guidance in HOME FACTS Vol. 4, No. 1, which allows PJs to convert homebuyer activities to rental.

e) To apply funds drawn from the HOME Treasury account in excess of need to another activity within 15 days of the original drawdown.

PJs needing to revise HOME draws for reasons not shown above should contact their HUD Representative at the local Field Office or submit a HUD Exchange Ask A Question.

If the drawn amount for an activity cannot be reduced to zero, the activity cannot be cancelled without HUD assistance. For ineligible activities, the HOME Final Rule at 24 CFR 92.503(b)(3) states that "HUD will instruct the participating jurisdiction to either repay the funds to the HOME Investment Trust Fund Treasury account or the local account." In most cases, HUD will advise PJs to repay ineligible draws to their HOME local account and receipt the funds as IU in IDIS. The PJ would then need to commit and draw the IU funds for HOME project related costs, following the HOME rules for all local account funds (PI, HP, and IU) as explained in the HOME Commitment Requirement Interim Final Rule. HUD Headquarters will cancel the ineligible activity in IDIS on behalf of the PJ after the Field Office has verified evidence of the repayment and that a corresponding IU receipt has been created. See HOME FACTS Vol.7 No.1 for more information.

When an activity is canceled, any undisbursed funds that had been committed to the activity will be released automatically by IDIS. The HOME setup/completion data entered for the activity is not deleted, but the data is not included in reports. Any edits made to the HOME setup and completion data will not be applied to a canceled activity.