

TABLE OF CONTENTS
for the
Public Housing Management Assessment Program (PHMAP)
HUD Handbook 7460.5

FOREWORD

SECTION 502(a) of the NATIONAL AFFORDABLE HOUSING ACT
of 1990 (NAHA)

24 CFR PART 901

Paragraph	Subject	Page
CHAPTER 1: INTRODUCTION		
1-1	Purpose	1-1
1-2	Legal Authority	1-3
1-3	Regulatory Authority	1-6
1-4	Applicability	1-6
1-5	Major Concepts	1-7
CHAPTER 2: DEFINITIONS		
2-1	Objective	2-1
2-2	Definition of Terms	2-1
2-3	Staff Responsibilities	2-8
CHAPTER 3: INDICATORS AND MANAGEMENT ASSESSMENT		
3-1	Objective	3-1
3-2	Indicators	3-1
3-3	Management Assessment	3-2
3-4	Mod-Troubled PHAs	3-2
3-5	Continued Development and Modification of Indicators	3-2
3-6	Recommendation	3-3
	i	3/92

7-6	Examples of Modification Requests and Supporting Documentation	7-5
7-7	PHA Appeal of Modification and Exclusion Requests to Indicators and Components	7-9
CHAPTER 8:	PHA APPEAL PROCESS	
8-1	Objective	8-1
8-2	PHA Responsibility	8-1
8-3	Field Office Responsibility	8-4
8-4	Regional Office Responsibility	8-5
8-5	Headquarters Responsibility	8-6
8-6	Appeal Summary	8-7
CHAPTER 9:	MEMORANDUM OF AGREEMENT (MOA) FOR TROUBLED AND MOD-TROUBLED PHAS	
9-1	Objective	9-1
9-2	Memorandum of Agreement (MOA) Requirement	9-1
9-3	Designation of a PHA as Troubled or MOD-Troubled	9-1
9-4	Notification of Headquarters	9-5
9-5	MOA Development	9-6
9-6	Specific Requirements of the MOA	9-10
9-7	Relationship of MOA to Other Approved Plans	9-16
9-8	Relationship of MOA to Budget and Budget Approval	9-16
9-9	Public and Private Sector Involvement	9-17
9-10	Ongoing PHA Commitment to Approved MOA	9-18
9-11	Remote Monitoring	9-18
	iii	3/92

9-12	On-Site Monitoring	9-19
9-13	Annual MOA Negotiations	9-20
9-14	Removal from Troubled and Mod-Troubled PHA Designation	9-21
CHAPTER 10: IMPROVEMENT PLAN (IP)		
10-1	Purpose	10-1
10-2	Improvement Plan (IP) Requirement	10-1
10-3	Scope of an IP	10-3
10-4	IP Development	10-4
10-5	Specific Requirements of an IP	10-7
10-6	Public and Private Sector Involvement	10-9
10-7	Ongoing PHA Commitment to Approved IP	10-9
10-8	Remote Monitoring	10-9
10-9	Annual IP Negotiations	10-10
10-10	ACC Requirement	10-11
10-11	Recommendation	10-11
CHAPTER 11: INCENTIVES		
11-1	Objective	11-1
11-2	Requirements for Incentives	11-1
11-3	General Incentives for High-Performing PHAs	11-1
11-4	Financial Management Incentives for High-Performing PHAs	11-2
11-5	Occupancy Incentives for High-Performing PHAs	11-3
11-6	Modernization Incentives for High-Performing PHAs	11-4
3/92	iv	

7460.5

Paragraph	Subject	Page
11-7	Development Incentives for	11-4

High-Performing PHAs

11-8 Compliance Requirements 11-5

11-9 Regional Administrator's Discretion 11-5

CHAPTER 12: Reserved

Appendix Subject

1 Reserved

2 Reserved

3 Reserved

4 Public Housing Management Assessment Program
(PHMAP) Certification, Form [HUD-50072](#)

5 Optional and Sample Worksheets

6 Reserved

7 Reserved

8 Reserved

9 Reserved

10 Reserved

Public Use Report

OMB Approval Number

Form [HUD-50072](#), Public Housing Management
Assessment Program (PHMAP) Certification

2577-0156
(exp. 1/31/93)

v

3/92

7460.5

FOREWORD

The Public Housing Management Assessment Program (PHMAP) implements section 502(a) of the National Affordable Housing Act of 1990 (NAHA) and evaluates the performance of public housing agencies (PHAs) in major areas of management operations. For the first time, the PHMAP provides the Department with an objective system of measuring PHA performance using standard criteria for all PHAs. The PHMAP will allow the Department to practice accountability monitoring and risk analysis, enabling the Department to focus valuable monitoring resources on program participants that are most susceptible to fraud, waste and mismanagement. Accountability monitoring and risk analysis are addressed further in the Field Office Monitoring of Public Housing Agencies (PHAs) Handbook 7460.7, as revised.

A PHA is a public entity and, as such, is held accountable for its

management practices to ensure that it is performing in a capacity to preserve and protect its public housing developments. It is the PHA as an entity, comprised of the Board of Commissioners and all PHA personnel, rather than a single individual, that is accountable to its residents, the local community, and the taxpayers for its operations. PHMAP will allow PHAs, Boards of Commissioners, residents and the local community to assess PHA performance and identify areas that need improvement. PHAs can use the PHMAP assessment to conduct internal audits of their operations and correct identified deficiencies. The results of the PHMAP assessment can be used by the PHA's Board of Commissioners and Executive Director, resident organization and the local community to understand more comprehensively the PHA's operations.

This Handbook provides a complete review of the PHMAP by serving as a one-stop source document that includes the statute, the regulation and guidance material. It begins with the statute and regulation since these documents are the basis of the PHMAP from which all requirements derive. The statute provides the legal authorization and description of the Program. The regulation is the document which implements the statute. The Handbook provides a restatement of the regulation in more conversational language with examples, administrative and procedural requirements, and guidance to assist PHAs, residents, other interested parties and HUD staff.

The Handbook clearly delineates the responsibilities of the PHA, Field Office, Regional Office and Headquarters. Use of the words "shall", "should" and "may" distinguish between what is required, suggested or optional.

7460.5

The reader is advised that no document can be all-inclusive. Clearly there will be situations which arise that have not been addressed. To that extent, the Department urges the reader to discuss those situations with HUD staff so that the Department may work towards a solution that, to the extent possible, addresses the specific situation. It is anticipated that the Handbook will be revised as operational experience is gained and, therefore, constructive feedback is welcomed.

Copies of the statute, section 502(a) of the NAHA, Reform of Public Housing Management, as amended, which amends the United States Housing Act of 1937, and the regulation, 24 CFR 901, Public Housing Management Assessment Program, immediately follow this Foreword.