

Operating Fund Program Explanation of Final Proration Percentage for CY 2006

For the final obligation of Calendar Year (CY) 2006 Operating Subsidies for public housing agencies (PHAs), the Department has provided funding at **86.02%**. The following provides an explanation of that proration percentage.

For CY 2006, the Congress appropriated \$3.564 billion for the Operating Fund Program. PHAs were to submit their subsidy forms by December 31, 2005, and Field Offices completed their review of the forms by March 31, 2006. Additionally, PHAs had until July 15, 2007 to submit any revisions to their subsidy forms to the respective Field Offices.

For the third quarter, the Department obligated to PHAs funding, at an annualized rate of 85.5%. Then, after approving revisions the department adjusted the total program eligibility. Each PHA received for the fourth quarter the difference between their final CY 2006 eligibility and what they received for the preceding three quarters. Based on the final submissions, including approved revisions, total eligibility for CY 2006 is \$4.142 billion, which resulted in an 86.02% proration.