

**Explanation of Final CY 2007 Proration
Public Housing Operating Fund**

For the final obligation of Calendar Year (CY) 2007 Operating Subsidies for public housing agencies (PHAs), the Department has provided funding at **83.4%**. The following provides an explanation of that proration percentage.

For the Public Housing Operating Fund, the Department initially provided public housing agencies (PHAs) with operating subsidies for the first three months of Calendar Year (CY) 2007 based on the continuing resolution that was in effect at that time. For those first three months, PHAs were funded at 76.0% of eligibility (proration).

On February 15, 2007, Public Law 110-5 appropriated \$3.864 billion for the Operating Fund Program for PHA calendar years 2007 (\$300 million higher than the previous continuing resolution). Subsequently, the Department obligated an additional six months of operating subsidies for PHAs, which took them through September of 2007. For this second interim funding cycle, PHAs were funded at the 82.0% proration level.

After considering the approved revisions and appeals, the final CY 2007 proration is calculated at 83.4% as shown in Table 1. Thus, for each PHA, the Department has applied the proration factor of 83.4% to the final CY 2007 eligibility, and then subtracted the amount that was obligated for the first nine months, with the resulting figure representing the final funding amount.

Table 1. Proration Calculation, CY 2007

#	Description	Amount (in \$ million)
1	CY 2007 Appropriation	\$ 3,864
2	Add: Carryovers During the Year	\$ 1
3	Available for Formula Allocation (1) + (2)	\$ 3,865
4	Total Operating Fund Eligibility	\$ 4,633
5	Total Mutual Help & Turnkey Eligibility	\$ 1
6	Total CY 2007 Eligibility (4) +(5)	\$ 4,634
7	Final CY 2007 Proration (3) / (6)	83.40%