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**Special Attention of:**

Office Directors of Public Housing,  
Public Housing Program Center Directors,  
Regional and Field Office Directors, and  
Resident Management Corporations

**Notice PIH-2020-24**

Issued: September 14, 2020

Expires: This notice remains in effect until  
amended, superseded, or rescinded

Cross References: PIH Notice 2020-18  
PIH Notice 2020-17  
PIH Notice 2020-13  
PIH Notice 2020-07

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**SUBJECT: Extension of Period of Availability for CARES Act Supplemental Public Housing and Housing Choice Voucher Funds, Guidance on CARES Act Financial Reporting Requirements (FDS and Quarterly Reporting), and Other CARES Act Provisions**

**1. Purpose.** This Notice provides information on the following topics related to implementation of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (Public Law 116-136) and related Supplemental Public Housing Operating Funds, Housing Choice Voucher (HCV) and Mainstream Administrative Fees, Housing Assistance Payment (HAP) funding, and Moderate Rehabilitation Program HAP funding.

- The Notice extends the deadline, i.e., period of availability for Public Housing Agencies (PHAs), to expend the Supplemental Public Housing Operating Funds. Notice PIH 2020-07 used the term Period of Performance instead of Period of Availability. These two terms are intended to refer to the same matter. Period of Availability is a colloquial phrase, imparting the meaning of the technical term Period of Performance (which is defined in 2 CFR 200.77) in a more easily understood manner. HUD is also exercising its authority to extend certain flexibilities provided in the earlier PIH Notice 2020-07.
- The Notice extends the deadline, i.e., period of availability for Public Housing Agencies (PHAs), to expend the CARES Act HCV Supplemental HAP and Administrative Fees (including such funds provided for the Mainstream Program), and the CARES Act Moderate Rehabilitation Program Supplemental HAP funds.
- The Notice extends the waiver authority of central office cost center (COCC) fees in excess of the safe harbor amounts<sup>1</sup> to the fees (i.e., HCV management fee and HCV

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<sup>1</sup> Safe harbor amounts refer to the maximum fee rates that a PHA can charge for each fee type under HUD's asset management model without prior HUD approval. These fee rates are defined in Chapter 7 in the Changes in

bookkeeping fee) charged to the CARES Act supplemental HCV and Mainstream Administrative Fees and provides further implementation guidance for PHAs that used CARES Act supplemental Operating Funds or HCV and Mainstream Administrative Fees under this waiver authority.

- PHAs with a 6/30/2020 fiscal year end (FYE) will be most impacted by the reporting requirements in this notice. In recognition of this fact, HUD has extended the unaudited submission due date for PHAs with a 6/30/2020 FYE by 60 days, from 08/31/2020 to 10/30/2020. The notice also provides instructions to 6/30/2020 FYE PHAs that have already submitted their unaudited submission.
- The Notice provides financial reporting requirements and sub-regulation guidance on CARES Act supplemental funds (Public Housing Operating Fund, HCV, Mainstream Voucher and Moderate Rehabilitation programs) for PHA year-end Financial Data Schedule (FDS) reporting.
- Lastly, the Notice provides guidance on the implementation of CARES Act supplemental funds quarterly reporting requirements. FDS and CARES Act quarterly reporting for Moving to Work (MTW) PHAs and the COCC is also provided in this Notice.

**2. Background.** An outbreak of a respiratory disease caused by a novel (new) coronavirus has as of this date been detected in the United States. The virus has been named “severe acute respiratory syndrome coronavirus 2” (SARS-CoV-2) and the disease it causes has been named “Coronavirus Disease 2019” (“COVID-19”). On January 31, 2020, Secretary of Health and Human Services, Alex M. Azar II, declared a public health emergency for the United States to aid the nation’s healthcare community in responding to COVID-19. On March 13, 2020, President Donald J. Trump declared the COVID-19 pandemic a national emergency.

On March 27, 2020, President Trump signed the CARES Act into law, which authorizes over \$2 trillion in emergency assistance and health care response for individuals, families and businesses affected by the COVID-19 pandemic, and emergency appropriations to support Executive Branch agency operations during the COVID-19 pandemic. The CARES Act provided additional funding to PHAs to prevent, prepare for, and respond to coronavirus, including to maintain normal operations during the period the program was impacted by coronavirus. PIH Notices 2020-07 and 2020-08 provide guidance on how the funds were allocated and the eligible uses of the supplemental funding for the Public Housing Program and Administrative Fee portion of the CARES Act of the HCV Program, respectively. PIH Notice 2020-13 (HA), REV-1 (which superseded PIH Notice 2020-05) provides a list of the available statutory and regulatory waivers and alternative requirements available for HUD programs, including the Public Housing and HCV programs. PIH Notice 2020-17 provides guidance on HCV Supplemental HAP funds, while PIH Notice 2020-18, which when issued on July 30, 2020 superseded PIH Notice 2020-08, and provides guidance on the second award of HCV Program Administrative Fees.

Period of Availability for Use of Supplemental Funds. HUD stated in PIH Notices 2020-07 and 2020-08 that the agency would continue to evaluate the impact of COVID-19 on its programs

and make a determination as to whether the impact to the program would extend beyond December 31, 2020.

Financial Data Schedule (FDS) Reporting for CARES Act Supplemental Funds. HUD's Uniform Financial Reporting Standards (UFRS) Rule (24 CFR § 5.801) requires PHAs that administer the Section 8 and/or Section 9 programs to submit annual financial data to HUD. Specifically, UFRS requires that the financial data is: 1) prepared in accordance with Generally Accepted Accounting Principles (GAAP) as further defined by HUD in supplementary guidance; 2) submitted electronically to HUD through the internet; and 3) submitted in such form and substance as prescribed by HUD.

To meet the goals of the UFRS rule, PHAs are required to submit their financial information to HUD's Financial Assessment Sub-system for Public Housing (FASS-PH). PHAs are required to submit this financial information in a prescribed format, Financial Data Schedule (FDS) (also referred to as Public Housing Financial Management template, Office of Management and Budget (OMB) Paperwork Reduction Act approval number 2535-0107).

Financial information collected in the FASS-PH system includes the reporting of the receipts, uses, and balances of all PHA funds regardless of the funding source (i.e., entity-wide reporting) and is reported at the funding source level.

As a separate funding source, the CARES Act supplemental funding must be reported separately on the FDS. The default reporting level is at the Catalog of Federal Domestic Assistance (CFDA) level. However, when a CFDA number does not exist or is not applicable, HUD will provide a program number under which the PHA should report its financial information.

This notice provides the FDS reporting requirements and instructions for the supplemental funds that a PHA may have received under the CARES Act for the Public Housing Operating Fund, HCV, Mainstream Voucher and Moderate Rehabilitation programs. (*Sections 5 through 13 of the Notice discusses FDS reporting.*)

Applicability and Implementation of COCC Fees in Excess of the Safe Harbor Amounts to the HCV Program. PIH Notice 2020-07 provided a waiver of the safe harbor fees that can be charged to the Public Housing program and transferred to a PHA's COCC. In this notice, HUD is applying the same waiver of the safe harbor fees to the fees (i.e., management fee and bookkeeping fee) charged to the CARES Act supplemental HCV and Mainstream Administrative Fee funding. This notice also provides guidance on how PHAs must implement this waiver authority, including fees paid from the CARES Act Public Housing Operating Funds. (*Section 8 of this Notice discusses implementation of the COCC fees and safe harbor amounts.*)

FDS Reporting for 6/30/2020 FYE PHAs. HUD has extended the unaudited submission due date for PHAs with a 6/30/2020 FYE by 60 days from 08/31/2020 to 10/30/2020. This extension is to allow PHAs with a 6/30/2020 FYE sufficient time to implement the reporting requirements in this notice. The notice also provides instructions to 6/30/2020 FYE PHAs that have already submitted their unaudited submission. (*Section 15 of the Notice provides FDS reporting guidance for 6/30/2020 FYE PHAs.*)

Quarterly CARES Act Reporting. The CARES Act requires that recipients and sub-recipients of CARES Act funds satisfy quarterly reporting requirements if the recipient has been awarded \$150,000 or more in covered funds. CARES Act quarterly reporting requirements are aligned with PHA FDS reporting guidance in this notice. This alignment will allow for consistency in reporting and ensure that PHAs maintain a single record of CARES Act expenses. (*Section 16 and 17 of the Notice discusses quarterly CARES Act reporting.*)

**3. Applicability.** This Notice applies to PHAs administering the Public Housing, HCV, Mainstream Voucher and/or Moderate Rehabilitation program(s), including all PHAs participating in the MTW demonstration program.

**4. Period of Availability of Select CARES Act Funds.** As described in Section 2 of this Notice, the United States is continuing to experience the impacts of the COVID-19 pandemic. More recently, several states and localities have experienced increased rates and/or number of infections. This has resulted in extensions or renewals of stay-at-home orders, extensions of school and business closings, and the need for protective actions to limit the spread of COVID-19. As such, the Secretary finds that the period of impact on the public housing and HCV programs of COVID-19 will extend past December 31, 2020, and that families assisted by the program will continue to require expanded services due to COVID-19. To that end, HUD is exercising its authority under the CARES Act to extend the time-period for which the programs are impacted by COVID-19. HUD is issuing the following deadlines as shown in the table below.

Table 4.1 Extension of Period of Availability of CARES Act Funds

#	Funding Category	Extension of Period of Availability
1	CARES Act – Operating Fund	<ul style="list-style-type: none"> <li>The period of availability for the use of CARES Act Supplemental Public Housing Operating Funds has been extended to December 31, 2021.</li> <li>PHAs may use any available Public Housing Capital and Operating Funds appropriated for Fiscal Years 2020 and prior for any eligible Capital or Operating Fund expense, and for other expanded COVID-19 expenses as included in Notice 2020-07, through December 31, 2021.</li> </ul>
2	CARES Act – HCV Supplemental HAP and Administrative Fee Funds (including Mainstream)	<ul style="list-style-type: none"> <li>Section 4 of PIH Notice 2020-17 CARES Act - HCV Program Supplemental HAP awarded under the Extraordinary Circumstance funds (including those funds awarded for Mainstream) has been extended through December 31, 2021. However, note that <b>Shortfall funds</b> are only available through December 31, 2020.</li> <li>Section 6 of PIH Notice 2020-18 CARES Act - HCV Program Administrative Fees – Second Award provides the period of availability for administrative fee funding, including for any unspent funds initially awarded under PIH Notice 2020-08. The period of availability for all CARES Act Supplemental Administrative fees (including those supplemental administrative fee funds provided for Mainstream) is extended to December 31, 2021.</li> </ul>

#	Funding Category	Extension of Period of Availability
3	CARES Act – PBRA Funds for PHA’s Moderate Rehabilitation Program	Section 4 of PIH Notice 2020-20 provided the period of availability for the use of CARES Act supplemental Moderate Rehabilitation funds through December 31, 2020. This notice extends the period of availability of these funds through December 31, 2021.

HUD will continue to evaluate the impact of COVID-19 on the Public Housing and HCV programs, and, if necessary, make any additional extensions of the use of the CARES Act funding and other flexibilities in the future. All other administrative guidance in Notices 2020-07, 2020-17 and 2020-18 will remain effective during the extended time period. PIH Notice 2020-18 supersedes PIH notice 2020-08.

The following waivers, provided in PIH Notice 2020-07, are extended until December 31, 2021.

- 24 CFR 990.280 (b)(5) is waived to permit PHAs to transfer up to the entire amount of the CARES Act Supplemental Funds between projects without having excess cash.
- HUD is waiving 24 CFR 990.280(b) so that PHAs complying with Asset Management under 24 CFR 990 Subpart H may transfer funds to the COCC to pay for immediate needs of the COCC that exceed the safe harbors identified in Chapter 7 of the HUD Financial Management Handbook. Notwithstanding the above, funds transferred to the COCC in excess of the safe harbors must comply with the cost reasonableness standards found at 2 CFR 200.404, and shall not exceed the safe harbors by more than 50 percent.
- HUD is waiving the Administrative cost limitation established in 24 CFR 905.314(h) of 10 percent and temporarily resetting it to 15 percent until December 31, 2021.

**5. CARES Act Supplemental Funding Columns Added to FDS.** Due to the likely one-time appropriation of the supplemental funds provided under the CARES Act, CFDA numbers for these funds will not be issued. However, HUD must still meet its monitoring responsibilities and provide transparency in the PHAs’ receipts and uses of CARES Act supplemental funding. Rather than have PHAs report under the generic Federal Program columns that are already established in the FASS-PH system (e.g., Federal Program 1, Federal Program 2), the Real Estate Assessment Center (REAC), a division of HUD’s Office of Public and Indian Housing has established six new columns on the FDS for reporting CARES Act supplemental funds.

Table 5.1 CARES Act Supplemental Funds – FDS Columns

#	New Column #	Column Name
1	14.PHC	Public Housing CARES Act Funding
2	14.HCC	HCV CARES Act Funding (both HAP and Administrative Fee)
3	14.MSC	Mainstream CARES Act Funding (both HAP and Administrative Fee)
4	14.MRC	Moderate Rehabilitation CARES Act Funding
5	14.CCC	Central Office Cost Center CARES Act Funding
6	14.CMT	CARES Act Funding Transferred to MTW

If a PHA has received CARES Act funding from any one of the following four sources, 1) Public Housing Operating Fund, 2) HCV, 3) Mainstream Voucher, and/or 4) Moderate Rehabilitation programs, (the latter via the PBRA account), the PHA is required to add the respective reporting column(s) in its FASS-PH submission.

Section 8 of PIH Notice 2020-07 also includes waiver authority which permits a PHA operating a COCC to transfer to the COCC, CARES Act supplemental funds above the safe harbor rates. If a PHA exercises this waiver authority, the PHA is also instructed to add 14.CCC, *COCC CARES Act Funding* column to its FDS submission. If the PHA is an MTW PHA and the PHA transferred CARES Act funds to its MTW program, the PHA is also instructed to add 14.CMT, *CARES Act Funding Transferred to MTW* column to its FDS. Once reporting columns have been added, the PHA will be able to enter balance sheet and income statement data to the submission.

Table 5.1 *CARES Act Supplemental Funds – FDS Columns*, shows six additional FDS reporting columns, but most PHAs only need to add 14.PHC (to report CARES Act Public Housing Operating Funds) and/or 14.HCC (to report CARES Act HCV funding) to their FDS, since most PHAs do not administer these other programs.

14.MRC – Moderate Rehabilitation. PIH has recently been provided an allotment of funds from the PBRA CARES Act appropriation. These funds will be used to support HAP payments of Section 8 Moderate Rehabilitation projects administered by PHAs. For PHAs that administer the Moderate Rehabilitation program and receive CARES Act funding, 14.MRC will be used to account and report those funds.

14.CCC - Central Office Cost Center. For PHAs that operate with a COCC, 14.CCC will be used to account and report any transfer and use of supplemental funds above the safe-harbor rates to the PHA's COCC.

14.CMT – Funding Transferred to MTW. For MTW PHAs, 14.CMT will be used to account and report the transfer and use of supplemental funds used to support the PHA's MTW program.

The general reporting concept is that the new columns will be used to report revenue/transfers-in and expenses, and balance sheet information for the supplemental funding. Tenant service FDS lines (FDS lines 92100 – 92500) will be used to specifically capture COVID-19-related costs under these new reporting columns. This reporting will allow HUD to determine how much of the supplemental funds were used to support program operations and how much was used to prepare for, prevent, and respond to COVID-19. See *Appendix 1: Instructions on How to Add a New FDS Column to the FDS*.

**6. FDS Reporting of Supplemental HCV and Mainstream Funding.** Supplemental HCV and Mainstream Voucher funding will be reported in column 14.HCC (HCV CARES Act Funding) and column 14.MSC (Mainstream CARES Act Funding). The financial reporting for these supplemental funds is described below.

*Revenue Recognition<sup>2</sup> of Supplemental HCV and Mainstream Voucher Administrative Fees.* Due to the restrictions imposed on both the HCV and Mainstream Voucher supplemental administrative fees, the supplemental fees cannot be recognized as revenue until the fees have an eligible expense associated with them. Therefore, when HUD disburses the administrative fees to PHAs, the funds should be accounted for as restricted cash and unearned revenue in the 14.HCC and/or 14.MSC column on the FDS. The following illustrates the proper accounting for HCV and Mainstream Voucher administrative fees.

1. HUD disbursed Supplemental HCV or Mainstream Voucher administrative fees to the PHA.

General Account	Debit	Credit	FDS Line
Restricted Cash	\$99,999		FDS Line 113 Cash – Other Restricted
Unearned Revenue		\$99,999	FDS Line 342 Unearned Revenue

When recognized as revenue (i.e., the supplemental administrative fee is associated with an incurred eligible cost), the PHA will report this revenue in FDS line 70600 HUD PHA Operating Grants.

2. PHA incurred an eligible cost which will be funded by supplemental administrative fees.

General Account	Debit	Credit	FDS Line
Expense	\$99,999		FDS Line 91100 to 97800 Various
Current Liability		\$99,999	FDS Line 311 to 348 Various

General Account	Debit	Credit	FDS Line
Unearned Revenue	\$99,999		FDS Line 342 Unearned Revenue
Grant Revenue		\$99,999	FDS Line 70600 HUD PHA Operating Grant

General Account	Debit	Credit	FDS Line
Restricted Cash	\$99,999		FDS Line 115 Cash: Restricted for Payments of Current Liabilities
Restricted Cash		\$99,999	FDS Line 113 Cash – Other Restricted

Note: The reclassification of restricted cash is for FDS reporting and indicates the supplemental administrative fees have been earned and that the PHA will be using the fees to liquidate the associated liability.

<sup>2</sup> The term “revenue recognition” and “recognition of revenue” are used throughout this notice. Since PHAs report under an accrual method of accounting (i.e., not on a cash basis of accounting), the term refers to when a transaction should be recognized as revenue in the PHA’s accounting and financial reporting system under Generally Accepted Accounting Principles (GAAP).

- a. Normal administrative expenses and enhanced/increased administrative expenses (i.e., non-COVID-19 eligible activity whose costs are higher than normal due to the pandemic, e.g., higher payroll costs because the PHA is providing hazard pay) will be reported in the proper FDS expense line item based on the type of expense, with no distinction between the two categories (e.g., both normal salary and hazard pay would be reported under FDS line 91100 Administrative Salaries). For FDS reporting, enhanced/increased administrative expenses should not be comingled and reported in one account such as FDS line 96200 Other General Expense or FDS line 10080 Special Items.
- b. All COVID-19 related costs should be reflected in the 92xxx FDS line item series. The 92xxx series of accounts are associated with tenant services (i.e., 92100 Tenant Services – Salaries, 92200 Relocation Costs, 92300 Employee Benefit Contribution – Tenant Services, 92400 Tenant Services – Other and 92500 Total Tenant Services).

Section 4 of PIH Notice 2020-18 refers to eligible activities for preparing for, preventing, and responding to COVID-19 and provides a list of COVID-19 related costs. Additional eligible activities are listed on HUD’s website. COVID-19 related costs associated with services for program participants or HCV program and Mainstream Voucher program staff, e.g., childcare costs for staff performing essential functions should be reported under tenant services.

- c. No unit months leased or unit months available data should be reported in 14.HCC or 14.MSC. PHAs should continue to report leasing information under the respective HCV (CFDA #14.871) or Mainstream (CFDA #14.879) program.
- d. Supplemental administrative fees used for capital activity will be reported as an equity transfer out of 14.HCC or 14.MSC to the respective HCV (CFDA #14.871) or Mainstream (CFDA #14.879) program. The HCV and Mainstream Voucher program will show the receipt of the capital assets as an equity transfer in (FDS line items 11040-070 through 11040-110). Once the asset is placed into service, the PHA should transfer the asset to the program and report any associated depreciation expense in the program and not in 14.HCC and/or 14.MSC.

3. The PHA will immediately use these supplemental administrative fees to liquidate the liability.

General Account	Debit	Credit	FDS Line
Current Liability	\$99,999		FDS Line 311 – 348 Various
Restricted Cash		\$99,999	FDS Line 115 Cash Restricted for Payment of a Current Liability

Reporting of Other Funds Used to Support HCV or Mainstream Voucher Program COVID-19 Costs. The CARES Act permits other sources of non-supplemental administrative fees to be used to support COVID-19 costs.

- a. Normal administrative expenses and enhanced/increased administrative expenses funded by non-supplemental administrative fees should be reported in the HCV or Mainstream Voucher program and not in 14.HCC or 14.MSC. Enhanced/increased administrative expenses should be reported in the proper FDS line and not comingled/reported in one FDS line.
- b. All HCV and Mainstream Voucher program COVID-19-related costs should be reported in 14.HCC and/or 14.MSC, regardless of the funding source. All HCV or Mainstream Voucher COVID-19 costs should be reflected in the 92xxx series of FDS line item of 14.HCC and/or 14.MSC. This reporting will allow HUD to specifically determine all expenses used for preparing for, preventing and responding to COVID-19. The PHA will report a transfer in to 14.HCC or 14.MSC from the respective funding source (i.e., typically the HCV program or COCC). The transfer in will match the expense incurred, meaning there should be no increase in equity in 14.HCC or 14.MSC due to these transactions. The following table provides the FDS line items that should be used when reporting such transfers.

FDS Line	FDS Line Name
10010	Operating Transfer In
10020	Operating transfer Out

Revenue Recognition of Supplemental HCV and Mainstream Voucher Program HAP Funding and Related HAP Expense. Any supplemental HAP funding received by a PHA will be accounted for and reported like supplemental administrative fees. That is, the HAP funding is not earned until the PHA has incurred an eligible HAP expense, which will then be funded by the supplemental HAP. Supplemental HAP funds received will be reported in the 14.HCC and/or 14.MSC column. HAP expenses associated with supplemental funds will be reported in FDS line 97300 (HAP expense).

Unspent Supplemental HCV and Mainstream Voucher Program Administrative Fees and HAP Funding. If the PHA does not use the supplemental administrative fees or HAP funds prior to the end of the performance period, the funds are to be returned to HUD. If the funds are returned to HUD, the PHA should not report the remittance as an expense as the funds were never recognized as revenue by the PHA. The return of the funds to HUD would be reflected as a balance sheet only transaction. For amounts that are to be returned to HUD, the amount should be reclassified from FDS line 342 Unearned Revenue to FDS line 331 Accounts payable – HUD PHA programs.

*Appendix 2: Example FDS Reporting of 14.HCC* provides a summary example of FDS reporting for a PHA with HCV CARES Act funding.

**7. FDS Reporting of Supplemental Operating Funds.** The sections below provide FDS reporting instructions for supplemental Operating Funds and associated expenses related to COVID-19.

Supplemental Operating Funds are to be reported in 14.PHC (Public Housing CARES Act Funding) at the overall program level and not at the individual project level. While the

supplemental Operating Funds were calculated, obligated, and disbursed by HUD at the project level, these funds should be reported as revenue directly in 14.PHC and in FDS line 70600 HUD PHA Operating Grants, even if the supplemental funds were used for capital activity. PHAs should not report these funds as revenue of the project and then transfer the supplemental Operating Funds into 14.PHC.

*Revenue Recognition of Supplemental Operating Funds.* From an accounting perspective, the PHA will recognize the supplemental Operating Funds as revenue, when the PHA has incurred an eligible cost which will be funded by the supplemental Operating Funds, regardless of when the funds were drawn down. (Per PIH Notice 2020-07, PHAs must minimize the time elapsed between drawing down the funds from electronic Line of Credit Control System (eLOCCS) and disbursement). This accounting and reporting is similar to that of any expenditure driven / reimbursable grant, such as the Capital Fund program. The following are examples of journal entries for revenue recognition of the supplemental Operating Funds.

1. PHA incurred an eligible cost which will be funded by supplemental Operating Funds.

General Account	Debit	Credit	FDS Line
Expense	\$99,999		FDS Line 91100 to 97800 Various
Current Liability		\$99,999	FDS Line 311 to 348 Various

General Account	Debit	Credit	FDS Line
Accounts Receivable	\$99,999		FDS Line 122 A/R HUD Other Projects
Grant Revenue		\$99,999	FDS Line 70600 HUD PHA Operating Grant

- a. Normal operating expenses and enhanced/increased operating expenses (i.e., non-COVID-19 eligible costs that are higher than normal due to the pandemic, e.g., higher maintenance payroll costs because the PHA is providing hazard pay) will be reported in the applicable FDS line items based on the type of expense, with no distinction between the two categories (e.g., both normal salary and hazard pay would be reported under FDS line 94100 Maintenance Labor). For FDS reporting, enhanced/increased operating expenses should not be comingled and reported in one account such as FDS line 96200 Other General Expense or FDS line 10080 Special Items.
- b. All COVID-19-related costs should be reflected in the 92xxx FDS line item series. The 92xxx series of accounts are associated with tenant services (i.e., 92100 Tenant Services – Salaries, 92200 Relocation Costs, 92300 Employee Benefit Contribution – Tenant Services, 92400 Tenant Services – Other, and 92500 Total Tenant Services).

Section 6 of PIH Notice 2020-07 refers to preparing for, preventing, and responding to COVID-19 and provides examples of COVID-19 related costs. This reporting includes COVID-19-related costs associated with services for program participants or public housing program staff such as childcare costs for staff performing essential functions.

- c. No unit months leased or unit months available data should be reported in 14.PHC. PHAs should continue to report leasing information under the respective project.
- d. Supplemental Operating Funds used for capital activity will be reported as an equity transfer out of 14.PHC to the respective project(s) that will “own” the capital asset. The project will show the receipt of the capital assets as an equity transfer (FDS line items 11040-070 through 11040-110) in the Low Rent column of the project. In addition, the capitalized costs also should be reported in the memorandum accounts for each project (FDS lines 11610 through 11660) in the Low Rent column. Once the asset is placed into service, the PHA should transfer the asset to the project and report any associated depreciation expense in the project and not in 14.PHC. This reporting approach will permit HUD to identify PHAs’ use of flexibility provided by the CARES Act to use the funds for either Operating Fund or Capital Fund purposes.

2. PHA has drawn-down the funds from eLOCCS to liquidate the incurred eligible cost. (Note: the funds should be reported as restricted cash.)

General Account	Debit	Credit	FDS Line
Restricted Cash	\$99,999		FDS Line 115 Cash Restricted for Payment of a Current Liability
Accounts Receivable		\$99,999	FDS Line 122 A/R HUD Other Projects

3. The PHA will immediately use these supplemental Operating Funds to liquidate the liability.

General Account	Debit	Credit	FDS Line
Current Liability	\$99,999		FDS Line 311 to 348 Various
Restricted Cash		\$99,999	FDS Line 115 Cash Restricted for Payment of a Current Liability

Unearned Revenue. If the PHA has erroneously drawn-down some or all of the supplemental Operating Funds without an eligible expense, the unspent funds should be reported as restricted cash and offset by unearned revenue until the PHA has incurred an eligible expense or the funds are returned to HUD.

General Account	Debit	Credit	FDS Line
Restricted Cash	\$99,999		FDS Line 113 Cash – Other Restricted
Unearned Revenue		\$99,999	FDS Line 342 Unearned Revenue

If funds are returned to HUD, the PHA should not report the remittance as an expense as the funds were never recognized as revenue by the PHA. The return of funds to HUD would be reflected as a balance sheet only transaction. For funds to be returned to HUD, the amount should be reclassified from FDS line 342 Unearned Revenue to FDS line 331 Accounts Payable – HUD PHA programs.

Reporting of Other Funds Used to Support COVID-19 Costs. The CARES Act permits other non-supplemental Operating Funds to be used to support COVID-19 costs.

- Cost of normal operating expenses and enhanced/increased operating expenses supported by non-supplemental Operating Funds should continue to be reported in the respective project(s) and not in 14.PHC. Similar to the instructions for reporting enhanced/increased operating expenses in 14.PHC, additional normal expenses should not be comingled/reported in one account.
- All public housing COVID-19-related costs will be reported in 14.PHC, regardless of the funding source. All public housing COVID-19 costs should be reflected in the 92xxx FDS line item series of 14.PHC. This reporting will allow HUD to specifically determine all expenses used for preparing for, preventing, and responding to COVID-19. The PHA will report a transfer-in to the 14.PHC from the respective funding source (i.e., typically a project). The transfer in will match the expense incurred, resulting in no increase in equity in 14.PHC due to these transactions. The following table provides the FDS line items that should be used when reporting such transfers.

FDS Line	FDS Line Name
10010	Operating Transfer In
10020	Operating transfer Out
10093	Transfers between Program and Project - In
10094	Transfers between Project and Program - Out

*Appendix 3: Example FDS Reporting of 14.PHC* provides a summary example of FDS reporting for a PHA with CARES Act Operating Funds.

**8. Implementation and Applicability of COCC Fees In Excess of the Safe Harbor Amounts to the Public Housing, HCV and Mainstream Programs.** Section 4 of PIH Notice 2020-07 provided a waiver of the safe harbor fees that can be charged to the Public Housing program and transferred to a PHA’s COCC. This notice clarifies that the waiver of the safe harbor fees in Section 4 of PIH Notice 2020-07 (and extended in Section 4 of this Notice), also applies to the Capital Fund management fee. PIH Notice 2020-08 and 2020-18 did not extend this waiver authority to fees charged to the HCV program. In this notice, HUD is applying the same waiver of the safe harbor fees to the fees (i.e., management fee and bookkeeping fee) charged to the CARES Act supplemental HCV and Mainstream administrative fees.

The following provides additional requirements for PHAs implementing this waiver (both in PIH Notice 2020-07 and this notice) and applies to fees paid from CARES Act Operating Funds and HCV and Mainstream Voucher funding. The following requirements also apply to the Capital Fund management fee.

- a. Funds transferred to the COCC in excess of the safe harbors must comply with cost reasonableness standards found at 2 CFR 200.404, and shall not exceed the safe harbors by more than 50 percent.

- b. The authority to use this provision has the same period of availability as stated in Section 4 of this notice. PHAs may retroactively apply this authority for COCC expenses incurred on or after March 27, 2020.
- c. The waiver applies only to the management fees, bookkeeping fees, and PH asset management fees of the public housing, HCV, Mainstream and MTW program.
- d. The waiver increases the fee rate but does not change how the fee is earned.
- e. The “higher” fee(s) can only be paid for with CARES Act funds of that respective program.
- f. The additional funds transferred to the COCC must be for immediate use and cannot be rolled into the PHA’s COCC reserves. This means, any additional fees above the safe harbor amounts transferred must be attached to a specific COCC expense and immediately used (i.e., used to pay the associated liability).
- g. CARES Act Funds transferred to the COCC:
  - (1) must be used for COCC COVID-19 related costs, or
  - (2) to cover incremental higher operational costs of the COCC due to COVID-19 (for example if the PHA has approved an increase in COCC salary for hazard pay or purchased laptops so staff can work from home), or
  - (3) must show that the COCC fees charged to the program are less than what was expected due to COVID-19 pandemic, then the PHA can use a reasonable increase in its fees above the safe-harbor amounts to cover expenses to liquidate costs where expected fee income could not be realized. With the exception of a 50 percent cap to fee rates, a PHA’s COCC should be in roughly the same financial position as if the COVID-19 pandemic did not occur.

In applying the above standard, the COCC’s budget, budget assumptions, and past performances are reviewed to help determine if the PHA increased its fee above a reasonable amount. For example, if the PHA budgeted a small net income prior to COVID-19 and historically the PHA has a small loss and/or small net income in the COCC, then HUD would expect the COCC reserves to follow this historical pattern.

- h. The PHA is required to track and account for these additional COCC funds separately. This means that a PHA’s COCC records must show the amount, when these additional funds were transferred to the COCC, the actual expenses that the additional COCC funds were used to cover, and the date paid.

In addition, PHAs will need to document the fee type, the amount the fee was increased, and how the total fee amount for that month was calculated. For example, a PHA normally charges a \$12.00 per unit month (PUM) for an HCV management fee and the PHA determines that a \$4.00 PUM increase was a reasonable increase. The PHA would need a separate record showing the additional \$4.00 fee charged.

**9. Reporting of COCC Fees In Excess of the Safe Harbor Amounts.** This section provides FDS reporting instructions on supplemental funding used for fee income in excess of the safe harbor amount.

General Fee Reporting. Fees in excess of the safe harbor amounts transferred to the COCC should be reported as a management fee, bookkeeping fee and/or asset management fee expense from the respective supplemental funding column, such as 14.PHC and into 14.CCC (Central Office Cost Center CARES Act Funding). The COCC CARES Act Funding column would reflect the amounts as fee income in the appropriate FDS line item (e.g., 70710 Management Fee Revenue). Similar to other internal PHA transactions, the fee expense and fee income, would be eliminated at the entity-wide level.

The table below shows how fee income to a COCC that is in excess of the safe harbor amounts should be reported on the FDS.

Table 9.1 FDS Reporting for COCC Funds in Excess of Safe Harbor Amount

<b>FDS Fee Accounts</b>	<b>14.PHC Public Housing CARES Act</b>	<b>14.CCC COCC CARES Act</b>	<b>Elimination</b>	<b>Entity-Wide Total</b>
70710 - Management Fee Revenue		\$50,000	(\$50,000)	\$0
70720 - Asset Management Fee Revenue		\$15,000	(\$15,000)	\$0
70730 - Bookkeeping Fee Revenue		\$10,000	(\$10,000)	\$0
91300 - Management Fee	\$50,000		(\$50,000)	\$0
91310 - Bookkeeping Fee	\$10,000		(\$10,000)	\$0
92000 - Asset Management Fee	\$15,000		(\$15,000)	\$0

Expenses associated with the additional fees will be reported in the applicable FDS expense lines of the COCC CARES Act column. COCC COVID-19 related cost should be reflected in the 92xxx series of FDS lines, which are associated with tenant services. If fees in excess of the safe harbor amount were used for COCC capital activity, the transaction will be reported as an equity transfer out of 14.CCC to the regular COCC column. The COCC column will show the receipt of the capital assets as an equity transfer in (FDS line items 11040-070 through 11040-110).

Since fees in excess of the safe harbor transferred to the COCC must be immediately used, the fees likely will have already been paid at the PHA’s fiscal year end, unless the transfer occurred at or near the fiscal year end of the PHA. However, if the associated payment was not made at year end, the PHA should report these unspent fees in FDS line 115 – Cash: Restricted for Payments of Current Liabilities.

Capital Fund Management Fees. Capital Fund Program (CFP) management fees in excess of the safe harbor transferred to the COCC should be reported as a capital fund management fee in the Capital Fund column of the “**Other Project**”. The following provides example journal entries for reporting of Capital Fund management fee in excess of the safe harbor.

Other Project / Income Statement / Capital Fund Column

General Account	Debit	Credit	FDS Line
Cash Unrestricted	\$99,999		FDS Line 111 Cash - Unrestricted
CFP Grant Revenue		\$99,999	FDS Line 70600 HUD PHA Operating Grant

General Account	Debit	Credit	FDS Line
CFP Management Fee	\$99,999		FDS Line 91300 Management Fee
Cash Unrestricted		\$99,999	FDS Line 111 Cash - Unrestricted

The COCC COVID-19 column would report the receipt of the Capital Fund management fees as management fee revenue and would be eliminated at the entity wide level as normal.

**10. MTW Demonstration Program – FDS Reporting.** When reporting on the FDS, MTW PHAs should report their PH and HCV CARES Act funds when earned in FDS line 70600 HUD PHA Operating Grant in the respective PH and HCV Cares Act Funding column (14.PHC and/or 14.HCC). The CARES Act funds should not be reported as revenue (FDS line 70600) in the CARES Act MTW Fund column (14.CMT). Similar to FDS reporting instructions for non-CARES Act Public Housing, Capital and HCV Funds provided by HUD, these funds will be transferred into the CARES Act MTW Fund column using FDS lines 10010 and 10020 “Operating Transfers In and Out”.

The MTW PHA can elect to use its PH and/or HCV CARES Act funds to support its MTW initiatives, for example, the operations and administration of the PHA’s MTW program, MTW eligible uses, such as supportive services, local, non-traditional activities, HAP payments of voucher under the MTW agreement or on a capital activity. In these situations, the PHA will meet the revenue recognition criteria when the PHA has incurred an eligible MTW cost which will be funded by the supplemental Public Housing Operating Fund or HCV Funds. The following provides example journal entries for recording an MTW expense paid from HCV CARES Act administrative fees and CARES Act Operating Funds.

1. PHA incurred an eligible MTW cost which will be funded using CARES Act HCV administrative fees.

General Account	Debit	Credit	FDS Line
Expense	\$99,999		FDS Line 91100 to 97800 (14.CMT) Various
Current Liability		\$99,999	FDS Line 311 to 348 (14.CMT) Various

General Account	Debit	Credit	FDS Line
Unearned Revenue	\$99,999		FDS Line 342 (14.HCC) Unearned Revenue
Grant Revenue		\$99,999	FDS Line 70600 (14.HCC): HUD PHA Operating Grant

General Account	Debit	Credit	FDS Line
Restricted Cash	\$99,999		FDS Line 115 (14.HCC) Cash: Restricted for Payments of Current Liabilities
Restricted Cash		\$99,999	FDS Line 113 (14.HCC) Cash – Other Restricted

General Account	Debit	Credit	FDS Line
Operating Transfer Out	\$99,999		FDS Line 10020 (14.HCC) Operating Transfer-Out
Restricted Cash		\$99,999	FDS Line 115 (14.HCC) Cash Restricted for Payment of a Current Liability

General Account	Debit	Credit	FDS Line
Restricted Cash	\$99,999		FDS Line 115 (14.CMT) Cash Restricted for Payment of a Current Liability
Operating Transfer In		\$99,999	FDS Line 10010 (14.CMT) Operating Transfer-In

General Account	Debit	Credit	FDS Line
Current Liability	\$99,999		FDS Line 311 – 348 (14.CMT) Various
Restricted Cash		\$99,999	FDS Line 115 (14.CMT) Cash Restricted for Payment of a Current Liability

2. PHA incurred an eligible MTW cost which will be funded using CARES Act Operating Funds.

General Account	Debit	Credit	FDS Line
Expense	\$99,999		FDS Line 91100 to 97800 (14.CMT) Various
Current Liability		\$99,999	FDS Line 311 to 348 (14.CMT) Various

General Account	Debit	Credit	FDS Line
Accounts Receivable	\$99,999		FDS Line 122 (14.PHC) A/R HUD Other Projects
Grant Revenue		\$99,999	FDS Line 70600 (14.PHC) HUD PHA Operating Grant

General Account	Debit	Credit	FDS Line
Restricted Cash	\$99,999		FDS Line 115 (14.PHC) Cash Restricted for Payment of a Current Liability
Accounts Receivable		\$99,999	FDS Line 122 (14.PHC) A/R HUD Other Projects

General Account	Debit	Credit	FDS Line
Operating Transfer Out	\$99,999		FDS Line 10020 (14.PHC) Operating Transfer-Out
Restricted Cash		\$99,999	FDS Line 115 (14.PHC) Cash Restricted for Payment of a Current Liability

General Account	Debit	Credit	FDS Line
Restricted Cash	\$99,999		FDS Line 115 (14.CMT) Cash Restricted for Payment of a Current Liability
Operating Transfer In		\$99,999	FDS Line 10010 (14.CMT) Operating Transfer-In

General Account	Debit	Credit	FDS Line
Current Liability	\$99,999		FDS Line 311 – 348 (14.CMT) Various
Restricted Cash		\$99,999	FDS Line 115 (14.CMT) Cash Restricted for Payment of a Current Liability

CARES Act Operating Funds. The following provides additional clarification on CARES Act supplemental Operating Fund reporting for MTW PHAs.

- For CARES Act Operating Funds used for public housing, MTW PHAs are to report as instructed in *Section 7. FDS Reporting of Supplemental Operating Funds* of the notice.
- For CARES Act Operating Funds in excess of the safe harbor amounts transferred to the COCC, MTW PHAs are to report as instructed in *Section 9. Reporting of COCC Fees In Excess of the Safe Harbor Amounts* of the notice.
- For CARES Act Operating Funds transferred to the HCV program (non-MTW vouchers) MTW PHAs should recognize the revenue in 14.PHC and then transfer the funds to 14.HCC. The MTW PHA should then follow the reporting instructions in *Section 6. FDS Reporting of Supplemental HCV and Mainstream Voucher Funding* of the notice.
- For CARES Act Operating Funds transferred to the MTW program (MTW vouchers and/or non-traditional / local MTW activity (i.e., expenses normally reported under 14.881 of the FDS), MTW PHAs should recognize the revenue in 14.PHC and then transfer the funds to 14.CMT. The MTW PHA should then follow the reporting instructions in *Section 6. FDS Reporting of Supplemental HCV and Mainstream Voucher Funding* of the notice.

CARES Act HCV Funds. The following provides additional clarification on CARES Act supplemental HCV funds reporting for MTW PHAs.

- For CARES Act HCV funds used to support the HCV program (non-MTW vouchers), MTW PHAs are to report as instructed in *Section 6. FDS Reporting of Supplemental HCV and Mainstream Voucher Funding* of the notice.
- For CARES Act HCV funds transferred to the MTW program (MTW vouchers and/or non-traditional / local MTW activity (i.e., expenses normally reported under 14.881 of the FDS), MTW PHAs should recognize the revenue in 14.HCC and then transfer the funds to 14.CMT. The MTW PHA should then follow the reporting instructions in *Section 6. FDS Reporting of Supplemental HCV and Mainstream Voucher Funding* of the notice.
- For CARES Act HCV funds in excess of the safe harbor amounts transferred to the COCC, MTW PHAs are to report as instructed in *Section 9. Reporting of COCC Fees In Excess of the Safe Harbor Amounts* of the notice.
- For CARES Act HCV transferred to the public housing program, MTW PHAs should recognize the revenue in 14.HCC and then transfer the funds to 14.PHC. The MTW PHA should then follow the reporting instructions in *Section 7. FDS Reporting of Supplemental Operating Funds* of the notice.
- As a reminder, Mainstream funds cannot be used to support MTW PHAs' MTW program and must be reported as indicated *Section 6. FDS Reporting of Supplemental HCV and Mainstream Voucher Funding* of the notice.

Leasing Data. No unit months leased or unit months available data should be reported in 14.CMT. PHAs should continue to report leasing information for their MTW program under the MTW Program (CFDA #14.881).

**11. Revenue Recognition of Supplemental HAP Funding for the Moderate Rehabilitation Program.** Moderate Rehabilitation HAP funding is not earned until the PHA has incurred an eligible HAP expense, which will be funded by the supplemental HAP. Supplemental HAP funds received will be reported in the 14.MRC column. HAP expenses associated with the supplemental funds will be reported in FDS line 97300 (HAP expense).

As reminder for MTW PHAs, funding from the Moderate Rehabilitation program cannot be used to support the PHA's MTW program.

**12. CARES Act Funding and the Schedule of Expenditures of Federal Awards (SEFA).** Since no new CFDA numbers will be issued for the supplemental Operating Funds, HCV, Mainstream Voucher, or Moderate Rehabilitation funds, the supplemental funding will be reported under the regular CFDA # associated with the program on the SEFA when expended.

- Supplemental Operating Funds expended will be reported under CFDA #14.850 “Low Rent Public Housing”.
- Supplemental HCV Administrative Fees and HAP expended will be reported under CFDA #14.871 “Housing Choice Voucher Program”.
- Supplemental Mainstream Voucher Administrative Fees and HAP expended will be reported under CFDA #14.879 “Mainstream Program”.
- Supplemental Moderate Rehabilitation HAP expended will be reported under CFDA #14.856 “Lower Income Housing Assistance Program – Section 8 Moderate Rehabilitation”.

Per the OMB Compliance Supplement, for MTW PHAs, the amount of Public Housing and HCV funding transferred into the PHA’s MTW program should be reported as an expense under 14.881 “Moving to Work Demonstration Program” on the PHA’s SEFA.

To identify the CARES Act funds that are part of the total program award expended on the schedule, the PHA should indicate on its schedule how much of the supplemental funding is included in the total. This instruction can be met with a footnote which specifies the amount or by adding details lines in the schedule itself.

For data collection form reporting of Federal awards expended in the FASS-PH system, the PHA should report the CARES Act funding of Federal awards expended in 14.PHC, 14.HCC, 14.MSC and/or 14.MRC. The non-CARES Act funding of federal awards expended will continue to be reported under 14.850, 14.871, 14.879, and 14.856 thereby providing the detailed reporting needed by HUD.

**13. CARES Act Supplemental Funds and Single Audit Requirements.** 2 CFR 200.501(b) requires a PHA that expends \$750,000 or more in Federal awards during the PHA's fiscal year to have a single audit conducted in accordance with OMB standards. Based on prior funding, most PHAs know if a single audit is required. For some PHAs, the amount of Federal award expended may or may not reach the \$750,000 threshold each year. PHAs close to the \$750,000 threshold, should review the higher amount of Federal awards to determine if the additional CARES Act supplemental funding will require the PHA to have a single audit conducted. If a PHA is over the \$750,000 threshold as a result of the supplemental funding, the PHA must complete a single audit and provide the report electronically through the FASS-PH system to REAC.

If the PHA already reported in FASS-PH as an unaudited / no audit PHA but now is required to have an audit, the PHA is instructed to contact the PHA’s FASS-PH REAC manager.

**14. Waiver of CARES Act Operating Funds from PHAS Assessment.** PIH Notice 2020-13 (HA), REV-1 provides a waiver under the Public Housing Assessment System (PHAS). This waiver states that HUD will resume issuing new PHAS scores beginning with PHAs with a fiscal year-end date of March 31, 2021.

When scoring resumes, HUD will exclude CARES Act Operating Funds from the calculation of the Public Housing Assessment System's Financial Condition Indicator (24 CFR 902.30 – 902.35) and Management Operations Indicator (24 CFR 902.40 – 902.45). The Financial Condition Indicator and Management Operations Indicator of PHAS is based on ratio calculations using FDS data reported in the PHA's projects. The ratios are intended to reflect an assessment of a PHA's normal operations. HUD does not consider the COVID-19 pandemic and the supplemental CARES Act Operating Funds to be normal operations. Therefore, if these funds were to be included in the ratio calculations, the funds would distort the assessment of a PHA's financial condition and management operations.

HUD will implement this waiver through the FDS reporting instructions in this Notice, which requires the CARES Act Operating Funds to be reported in a separate column and not comingled and therefore assessed with project data.

**15. Extension of Unaudited Submission Due Date for 6/30/2020 FYE PHAs.** The first FYE quarter of PHAs to be impacted by the FDS reporting requirements in this notice are PHAs with a 6/30/2020 FYE. To allow PHAs sufficient time to implement the FDS reporting requirements for the CARES Act, HUD has extended the unaudited submission due date for PHAs with a 6/30/2020 FYE by 60 days. For PHAs with a 6/30/2020 FYE, the unaudited submission is now due 10/30/2020, instead of 08/31/2020.

The following provides instructions for 6/30/2020 FYE PHAs that have already submitted an unaudited submission to PIH-REAC's FASS-PH system.

- a. PHAs with a rejected unaudited submission. The rejected submission should be corrected and resubmitted to reflect the FDS reporting requirements for the CARES Act and updated to reflect any needed correction(s). The unaudited submission should be re-submitted to HUD as soon as possible, but no later than 10/30/2020.
- b. PHAs with an approved or conditionally accepted unaudited submission; audit is required. No further action is required on the PHA's unaudited submission. The PHA should reflect the FDS reporting requirements for the CARES Act in the audited submission.
- c. PHAs with an approved or conditionally accepted unaudited submission; no audit is required. PHAs should submit a request to FASS-PH to invalidate the submission and re-submit the unaudited submission to reflect the FDS reporting requirements for the CARES Act.
- d. PHAs with an unaudited submission under review; no audit is required. PHAs should submit a request to FASS-PH to invalidate the submission and re-submit the unaudited submission to reflect the FDS reporting requirements for the CARES Act.
- e. PHAs with an unaudited submission under review; audit is required. The PHA can request that FASS-PH invalidate the unaudited submission or the PHA can wait and

make changes to the audited submission to reflect the FDS reporting requirements for the CARES Act.

*Instructions to Request Invalidation of Unaudited Submission.* Requests for invalidation can be made by sending an email to the FASS-PH mailbox at [FASS-PH@hud.gov](mailto:FASS-PH@hud.gov). The subject line should state the following: **“PHA Code/PHA Name/FYE – Request to Invalidate Unaudited Submission”**.

**16. CARES Act Funds– General Quarterly Reporting Requirements.** The CARES Act requires that recipients and sub-recipients of CARES Act funds satisfy quarterly reporting requirements. The following provides guidance to PHAs on how HUD expects to implement these quarterly reporting requirements.

HUD will provide PHAs with a reporting portal for quarterly reporting. This reporting portal is under development and is not yet available to PHAs. Until the reporting portal becomes available to PHAs, PHA quarterly reporting requirements for the Operating Fund, HCV, Mainstream Voucher and Moderate Rehabilitation CARES Act funding are suspended, and HUD will continue to utilize data already available to HUD to complete the required reporting.

It is expected that the first quarterly reporting by PHAs will be October 10<sup>th</sup>, 2020, and will include either retroactive reporting on the first quarter (April 1<sup>st</sup>, 2020 – June 30<sup>th</sup>, 2020, (i.e., July 10<sup>th</sup>, 2020, reporting)) of CARES Act activity or accumulative (i.e., first two quarters). CARES Act quarterly reporting requirements will align with the PHA’s FDS reporting which will be based on current FDS line items in the FDS but will include new reporting columns to capture specific CARES Act funds. This alignment will allow for consistency in reporting and to ensure that PHAs maintain a single record of CARES Act expenses.

**17. CARES Act Funds – Quarterly Reporting.** This section of the notice provides information on implementation of the quarterly reporting requirement for CARES Act funds.

*Implementation – “Large Covered Funds”.* The CARES Act requires reporting on “Large Covered Funds” (CARES Act awards over \$150,000) with the following information required to be reported:

- Amount received,
- Amount expended or obligated,
- Name of project or activity,
- Description of project or activity, and
- Number of jobs created.

The reporting must be at the grant level and at least one level below the grant award. Reporting is due 10 days after the quarter end (e.g., July 10<sup>th</sup>, October 10<sup>th</sup>).

For PHAs, HUD has defined the \$150,000 threshold to be calculated at the entity-wide level. That is, the PHA should include all HUD (i.e., HUD - PIH and HUD non-PIH CARES Act awards) and non-HUD (i.e., other federal agencies) CARES Act awards, if any, in this

determination.<sup>3</sup> Once the aggregate of individual CARES Act supplemental funding awarded to a PHA is over \$150,000, the PHA is required to provide quarterly reporting on each CARES Act grant, regardless of the individual award amount and amount spent.

In addition, since all the CARES Act funds have not yet been awarded, a PHA may be required to provide retroactive reporting due to awards provided in later quarters that may take the PHA over the \$150,000 threshold.

*Implementation – Level of Reporting and Reporting Categories.* HUD will implement the CARES Act quarterly reporting requirements as described below:

1. Reporting will be completed at the activity level for each CARES Act award.
2. For PHAs, HUD will establish six award types
  - a. CARES Act Operating Fund
  - b. CARES Act HCV Administrative Fee<sup>4</sup>
  - c. CARES Act HCV HAP<sup>4</sup>
  - d. CARES Act Mainstream Administrative Fee<sup>4</sup>
  - e. CARES Act Mainstream HAP<sup>4</sup>
  - f. CARES Act Moderate Rehabilitation HAP

Note: PIH may make two or more awards to a PHA from the same CARES Act funding, such as HCV administrative fees. For quarterly reporting, the PHA will be instructed to report both awards together.

3. Activity levels will be defined by HUD for each award level. The CARES Act quarterly reporting will be at one level below the award.
4. Table 17.1 *CARES Act Quarterly Reporting – Funding Award and Associated Activity Levels*, provides a summary of the three levels of PHA quarterly reporting – PHA, Award, and Activity and the applicability of each CARES Act funding award to the activity level. Table 17.2, which follows this table, provides a further description of each activity level.

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<sup>3</sup> Direct CARES Act awards made to a PHA's component units (blended or discrete) are not part of the \$150,000 calculation. However, these legal separate entities may still have CARES Act reporting requirements if the component unit received over \$150,000 in CARES Act funds. The definition of blended and discrete component units and legally separate entities can be found in Statement No. 61 of the Governmental Accounting Standards Board "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34".

<sup>4</sup> For FDS reporting, the PHA will be adding one column to account and report HCV supplemental funding for both administrative fees and HAP supplemental funding and one column to account and report Mainstream supplemental funding for both administrative fees and HAP supplemental funding. Within each column, FDS line items will be used to differentiate HAP expenses, COVID-19 expenses, and administrative expenses.

Table 17.1 CARES Act Quarterly Reporting – Funding Award and Associated Activity Levels

<b>PHA</b>						
<b>Award</b>	CARES Act Operating Fund	CARES Act HCV Admin. Fee	CARES Act HCV HAP	CARES Act Mainstream Admin. Fee	CARES Act Mainstream HAP	CARES Act Moderate Rehab. HAP
<b>Activity Level</b>						
<i>Operating Expenses</i>	<b>Yes</b>	<b>Yes</b>	n/a	<b>Yes</b>	n/a	n/a
<i>RAD</i>	<b>Yes</b>	n/a	n/a	n/a	n/a	n/a
<i>HAP</i>	n/a	n/a	<b>Yes</b>	n/a	<b>Yes</b>	<b>Yes</b>
<i>COVID-19 Supp.</i>	<b>Yes</b>	<b>Yes</b>	n/a <sup>1</sup>	<b>Yes</b>	n/a	n/a
<i>COVID-19 Non-Supp.</i>	<b>Yes</b>	<b>Yes</b>	n/a	<b>Yes</b>	n/a	n/a
<i>Trf to COCC</i>	<b>Yes</b>	<b>Yes</b>	n/a <sup>1</sup>	<b>Yes</b>	n/a	n/a
<i>MTW PH: MTW/HCV</i>	<b>Yes</b>	n/a	n/a	n/a	n/a	n/a
<i>MTW HCV Admin: Non-Admin</i>	n/a	<b>Yes</b>	n/a	n/a	n/a	n/a
<i>MTW HCV HAP: Non-HAP</i>	n/a	n/a	<b>Yes</b>	n/a	n/a	n/a

Note 1 – MTW PHAs that use their CARES Act HCV HAP funds to support their COCC or for COVID-19 relief will need to report on these activities in the “COVID-19 Supp” or “Trf to COCC” activity.

A “**Yes**” in the table means that the activity is a permitted use of CARES Act funds for that award type. If the PHA used CARES Act funds for the permitted activity, the PHA will need to report the amount of funds used on that activity.

A “n/a” in the table means that the activity associated with that specific CARES Act award is not a permitted use of the funding and therefore the PHA will not report under that activity level.

For example, the operating expenses activity row is shown as “Yes” under the three CARES Act award columns: 1) Operating Fund, 2) HCV Administrative Fees, and 3) Mainstream Administrative Fee Awards, meaning a PHA is permitted to use CARES Act Operating funds to support the operations of its public housing program. Similarly, a PHA is permitted to use CARES Act HCV Administrative Fees to support the administrative cost of its HCV program. However, the activity level associated with “HAP” under the same three columns are marked “n/a” because CARES Act Operating Funds and HCV/Mainstream Voucher administrative fees cannot be used by non-MTW PHAs for HAP.

<b>PHA</b>						
<b>Award</b>	CARES Act Operating Fund	CARES Act HCV Admin. Fee	CARES Act HCV HAP	CARES Act Mainstream Admin. Fee	CARES Act Mainstream HAP	CARES Act Moderate Rehab. HAP
<b>Activity Level</b>						
<i>Operating Expenses</i>	<b>Yes</b>	<b>Yes</b>	n/a	<b>Yes</b>	n/a	n/a
<i>HAP</i>	n/a	n/a	<b>Yes</b>	n/a	<b>Yes</b>	<b>Yes</b>

Note – there are further reporting instruction later in this section for MTW PHAs because of the flexibility available to MTW PHAs in their use of CARES Act funds.

5. The table 17.2 *CARES Act Quarterly Reporting – Activity Levels* below provides a complete list of activity levels for quarterly reporting. However, for non-MTW PHAs and non-COCC PHAs, only a few of the activity levels listed would be applicable. Rows 7, 8 & 9 of the table are specific to MTW PHAs only and will not be used by non-MTW PHAs.

Table 17.2 CARES Act Quarterly Reporting – Activity Levels

#	Activity Level	Activity Description
1	Program Operations and Administrative Expenses, including capitalized costs ( <i>Operating Expenses</i> )	<ul style="list-style-type: none"> <li>a. This activity level will capture CARES Act funds that were used to support operating expenses of the program.</li> <li>b. When reporting costs associated with operations and administrative activity level, the PHA will report both normal operating and administrative costs and operating and administrative costs that are higher than typical historical costs due to the COVID-19 pandemic together. HUD is not requiring any distinction between the two costs.</li> <li>c. This activity level also will capture CARES Act funds that were used to purchase a capital asset (e.g., equipment, modernization, land, construction in progress,). 24 CFR 905 may apply to certain capitalized activity.</li> <li>d. A PHA’s capitalization policy will determine whether CARES ACT funds should be capitalized or reported as an expense for FDS / financial statement reporting purposes.</li> <li>e. For quarterly CARES Act reporting, funds that are capitalized or expensed will be reported in this activity level. In addition, it is expected that any capital assets funded by CARES Act funds will still be in service after the COVID-19 pandemic has ended. Therefore, all capitalized costs will be reported in this activity level regardless of whether the asset is intended to support the operations and administration of the program or if the use of the asset is intended to initially support COVID-19 activity.</li> </ul>
2	Rental Assistance Demonstration Payments (RAD)	CARES Act Supplemental Operating Funds can be used to fund the payments due to PBV and PBRA projects, which were awarded a HAP contract this year until the end of the calendar year. This activity level will be used to capture such payments. This activity level only applies to PH CARES Act funds.
3	Housing Assistance Payments (HAP)	CARES Act funding used for housing assistance payments will be reported in this activity level.
4	COVID-19 Costs – CARES Act Funding ( <i>COVID-19 Supp.</i> )	Certain CARES Act funding allowed expanded eligible uses of the Operating Funds and HCV and Mainstream administrative fees, which are not normally eligible expenses for these funds. Specifically, these CARES Act funds can be used to prepare for, prevent, and respond to the COVID-19 pandemic. This one activity level will be used to capture expenses associated with

#	Activity Level	Activity Description
		CARES Act funding that were used to support these three sub-activities.
5	COVID-19 Costs – Non-CARES Act Funding ( <i>COVID-19 Non-Supp.</i> )	CARES Act reporting requires that the PHA report other non-CARES Act funding that was used for expenses to prepare for, prevent, and respond to COVID-19 pandemic as described in row 4 above. This one activity level will be used to capture expenses associated with <u>non</u> -CARES Act funding that were used to support these three sub-activities.
6	Transfer to COCC (Trf to COCC)	The <i>Transfer to COCC</i> activity level will capture CARES Act funds used to support the PHA’s COCC that were funded by a transfer of supplemental funds above the safe-harbor rates. No additional reporting detail will be captured for quarterly CARES Act reporting.
7	<b>For use by MTW PHA only</b> PH Transferred to the MTW or HCV Program (PH: MTW/HCV)	The <i>PH Transfer to the MTW or HCV Program</i> activity level will capture any Public Housing CARES Act funds not used on the PHA’s public housing program or transferred to the COCC but instead were used to support the PHA’s MTW program (e.g., administer the MTW program, HAP, local, non-traditional MTW programs, MTW vouchers) or the HCV program (i.e., administrative and HAP cost of vouchers not under the MTW agreement). This activity level is only applicable to MTW PHAs and their PH CARES Act funding. No additional detail will be captured for quarterly CARES Act reporting for funds used to support the MTW program.
8	<b>For use by MTW PHA only</b> HCV Admin. Fees used for Non-operating, COVID or COCC Expenses (MTW HCV Admin: Non-Admin)	<ul style="list-style-type: none"> <li>a. This activity level is only applicable to MTW PHAs and CARES Act HCV Administrative Fee funding.</li> <li>b. <i>HCV Admin. Fees used for Non-operating, COVID or COCC Expenses</i> activity level will be used to capture any HCV CARES Act administrative fee funds used to support the public housing program, HAP payments, and MTW local, non-traditional programs. For quarterly CARES Act reporting no additional detail will be captured for these activities.</li> <li>c. Administrative fees used to support the PHA’s COCC in excess of the safe-harbor fee rates will be reported in the “Transfer to COCC” activity.</li> <li>d. Administrative fees funds used to support COVID-19 relief will be reported in the “COVID-19 Costs – CARES Act Funding” activity.</li> </ul>
9	<b>For use by MTW PHA only</b> HCV HAP Funds used for Non-HAP Expenses (MTW HCV HAP: Non-HAP)	<ul style="list-style-type: none"> <li>a. This activity level is only applicable to MTW PHAs and CARES Act HCV HAP funding.</li> <li>b. <i>HCV HAP Funds used for Non-HAP Expenses</i> activity level will be used to capture any HCV CARES Act HAP funds used to support the public housing program, MTW local, non-traditional programs, and administrative costs of the program administrative fees. For quarterly CARES Act reporting no additional detail will be captured for these activities.</li> </ul>

#	Activity Level	Activity Description
		<p>c. HAP funds used for a HAP payment (both an MTW and / or Non-MTW voucher) will be reported as a HAP activity</p> <p>d. HAP funds used to support the PHA’s COCC in excess of the safe-harbor fee rates will be reported in the “Transfer to COCC” activity.</p> <p>e. HAP funds used to support COVID-19 relief will be reported in the “COVID-19 Costs – CARES Act Funding” activity.</p>

6. HUD must be able to reconcile the PHA’s quarterly CARES Act reporting to the PHA’s FDS reporting.
7. When reporting, PHAs must report using the accrual basis of accounting.

The following table maps the CARES Act activity level to the applicable FDS line items and CARES Act funding source (FDS column).

Table 17.3 CARES Act Quarterly Reporting – Activity Level Mapped to FDS Lines

Activity Level	FDS Lines	14.PHC	14.HCC	14.MSC	14.MRC	14.CCC	14.CMT
Operating Expenses	91100 thru 97800 11040-070 thru 11040-110	X	X	X		X	X
COVID-19 Costs	92100 thru 92500	X	X	X		X	X
RAD	97300 or 10094	X					
HAP	97300		X	X	X		X
Transfers to the COCC	91300, 91310 and 92000 70710, 70720 and 70730	X	X	X			
Transfers to the MTW, PH, and HCV Program(s)	10010 & 10020 10093 & 10094	X	X	X			

*Clarification on MTW PHA Reporting.* The following provides additional clarification on MTW quarterly CARES Act reporting. Activity level numbers in the clarification below refer to the row number in table 17.2. *CARES Act Quarterly Reporting – Activity Levels.*

1. For PH CARES Act funds spent on the public housing program, the MTW PHA would report the use of the funds as defined in activity levels 1, 2 and/or 4 under its PH CARES Act award. This reporting will provide information on whether PH CARES Act funds were spent on PH or RAD activities.
2. For HCV CARES Act Administrative fees spent on either HCV or MTW (activities normally accounted for under the PHA’s 14.881 column in the FDS) for administrative costs or COVID-19 relief, the MTW PHA would report the use of the funds as defined in activity levels 1 and / or 4 under the PHA’s HCV Administrative Fee CARES Act award. Except for

HCV CARES Act Administrative fees used to support the PHAs COCC, all other uses of HCV CARES Act Administrative fees will be reported in activity level 8.

3. If the MTW PHA transferred PH or HCV CARES Act funds to its COCC, for quarterly reporting, the PHA would report the use of CARES Act funds in this manner in activity level 6 (Transfer to COCC) under its PH or HCV Administrative Fee CARES Act award. This reporting will provide information on whether PH or HCV CARES Act funds were used to support the PHA's COCC.
4. If the MTW PHA uses its PH CARES Act funds for non-PH, MTW-eligible purposes, including HCV and local, non-traditional activities, the PHA would report the use of CARES Act funds in this manner in activity level 7 (Public Housing Transfer to MTW or HCV). This reporting will provide information on whether PH CARES Act funds were used to support the PHA's MTW demonstration program and/or HCV program.
5. If the MTW PHA used HCV CARES Act HAP funds to support its PH program, MTW local, non-traditional programs or administrative costs, for quarterly reporting, the PHA would report the use of CARES Act funds in this manner in activity level 9.

As discussed in Section 10 and 11 of this Notice, funding from the Mainstream Voucher and Moderate Rehabilitation program cannot be used to support a PHA's MTW program.

6. If the MTW PHA used HCV CARES Act HAP funds for COVID-19 relief or to support its COCC, for quarterly reporting, the PHA would report the use of CARES Act funds in this manner in activity level 4 and / or 6, respectively.
7. An MTW PHA is prohibited from transferring all PH or HCV CARES Act funds to PH, HCV and/or MTW, etc. and then transfer those funds back into the HCV or PH programs to minimize quarterly reporting. For example, a MTW PHA is not allowed to transfer its PH CARES Act funds to MTW, which for quarterly CARES Act reporting would be reported as one line item "PH Transfer to the MTW or HCV Program" and then transfer the funds back to its public housing program and spend the funds at the projects. This paragraph applies to reporting and does not limit the MTW PHAs' flexibility on the use of their funds.

**18. Record Retention.** The OMB regulation at 2 CFR 200.333 provides general record retention requirements. Most notably, OMB requires that records pertinent to a Federal award must be retained for a period of at least three years from the date of submission of the final expenditure report. HUD regulations at 24 CFR 990.325 require PHAs to retain documents related to all financial management and activities funded under the Operating Fund for a period of five fiscal years after the funds were received.

2 CFR 200.333 allows Federal agencies to extend the record-retention period for non-Federal entities (e.g., PHAs) if the extension is made in writing. HUD reserves the right to extend the record-retention period beyond five fiscal years and will notify PHAs in writing if and when such an extension is warranted.

**19. Further Information.** PHAs should contact their FASS-PH analyst and/or manager for further information or answers to questions on how a PHA should report its CARES Act supplemental funding on the financial data schedule.

**20. Paperwork Reduction Act.** PHAs submit the required financial information from all sources of funding to HUD on the Public Housing Financial Management template, i.e., FDS via the FASS-PH system. The Public Housing Financial Management template has been approved by OMB under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) and is assigned OMB approval number 2535-0107.

In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB number.

**21. Penalty for False Claims and Statements.** HUD will seek civil, criminal, or administrative action against individual and entities who either make, present, submit, or cause to be submitted a false, fictitious, or fraudulent statement, representation, or certification. 18 U.S.C. §§ 287, 1001, 1010, 1012, 1014 and 31 U.S.C. §§ 3729, 3802.

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/s/  
R. Hunter Kurtz, Assistant Secretary  
for Public and Indian Housing

## **Appendix 1: Instructions on How to Add a New FDS Column to the FDS**

To add the new reporting column(s) to the FDS, the PHA will first create a draft submission. Once a draft submission has been created, the PHA should complete the following steps.

1. On the navigation bar at the top of the page, select “PHA Info” tab.
2. Select “Program”.
3. Select “Add Program”.
4. Enter the relevant program number, for example 14.PHC, click “Go” and then click “Add Program”. The Program Selection page will appear with the newly added program at the bottom of the page.
5. Click “Save”. The column / program has now been added to the PHA’s FDS.
6. Repeat steps 1 through 5 for each reporting column that needs to be added.

## Appendix 2: Example FDS Reporting of 14.HCC

### Example Information

1. HUD disbursed to the PHA \$50,000 in CARES Act supplemental HCV administrative fees and \$150,000 in HAP funds (Transaction #1).
2. The PHA used \$6,000 of the supplemental administrative fees to purchase IT equipment to allow employees to work from home. These costs were capitalized. (Transaction #2).
3. The PHA used \$11,000 of the supplemental administrative fees to fund salaries, benefits, and office supplies (Transaction #3).
4. The PHA also used \$32,000 of the supplemental administrative fees to pay for COVID-19 related activity. Of this amount, \$5,000 has not yet been paid by the PHA (Transaction #4).
5. The PHA used \$2,000 of FY 2020 administrative fees to support COVID-19 costs (Transaction #5).
6. The PHA incurred and paid \$140,000 in HAP expense using its supplemental HAP funding (Transaction #6).
7. The PHA has \$11,000 of unspent CARES Act funds (Transaction #7; these funds would need to be returned to HUD if the PHA's fiscal year end reporting in this example is the same date the period of availability for the funds end).
8. The table below provides a summary of the transaction described above.

<b>HCV CARES Act Supplemental Funding</b>	<b>Admin. Fees</b>	<b>HAP</b>	<b>Total</b>
Total Amount of Funding	\$ 50,000	\$ 150,000	\$ 200,000
Operating Expenses	(11,000)		(11,000)
Capital Expenditures	(6,000)		(6,000)
COVID-19 Related Exp. - CARES Act Funds	(32,000)		(32,000)
HAP Expense		(140,000)	(140,000)
Total CARES Act Expenses	\$ (49,000)	\$ (140,000)	\$ (189,000)
Unspent Balance to be Returned to HUD	\$ 1,000	\$ 10,000	\$ 11,000
COVID-19 Related Expenses - Other Funds	(2,000)		(2,000)

**INCOME STATEMENT**

	<b>Trans #</b>	<b>HCV Program 14.871</b>	<b>HCV CARES Act Funding 14.HCC</b>	<b>Total</b>
HUD Operating Grants - Admin. Fees		\$ 82,000		
HUD Operating Grants - HAP Funding		372,000		
HUD Operating Grants	<b>1</b>	<b>454,000</b>	<b>189,000</b>	<b>643,000</b>
Admin. Salaries	<b>3</b>	68,000	8,000	76,000
Employee Benefits	<b>3</b>	14,800	2,000	16,800
Office Supplies	<b>3</b>	4,200	1,000	5,200
Tenant Services - Other	<b>4,5</b>	-	34,000	34,000
Depreciation Expense	<b>2</b>	200	-	200
HAP	<b>6</b>	360,000	140,000	500,000
<b>Total Expense</b>		<b>447,200</b>	<b>185,000</b>	<b>632,200</b>
<b>Net Operating Income</b>		<b>6,800</b>	<b>4,000</b>	<b>10,800</b>
Operating Transfer In (out)	<b>5</b>	(2,000)	2,000	-
Equity Transfer In (out)	<b>2</b>	6,000	(6,000)	-
<b>Net Change to Net Position</b>		<b>\$ 10,800</b>	<b>\$ -</b>	<b>\$ 10,800</b>

Note 1: Due to system limitations and unlike the HCV program column on the FDS, 14.HCC will not have detail FDS line items that separates HUD funding available for administrative fees versus HAP.

**BALANCE SHEET**

	<b>Trans #</b>	<b>HCV Program 14.871</b>	<b>HCV CARES Act Funding 14.HCC</b>	<b>Total</b>
Cash - Unrestricted		\$ 40,000	\$ -	\$ 40,000
Cash - Restricted for Payment of C/L	<b>4</b>	-	5,000	5,000
Cash - Restricted - Other	<b>1, 7</b>	200,000	11,000	211,000
Accts Rec. - HUD		-	-	-
Prepaid Insurance		2,000	-	2,000
<b>Total Current Assets</b>		<b>242,000</b>	<b>16,000</b>	<b>258,000</b>
Equipment	<b>2</b>	9,000	-	9,000
Accumulated Depreciation		(1,000)	-	(1,000)
<b>Total Noncurrent Assets</b>		<b>8,000</b>	<b>-</b>	<b>8,000</b>
<b>Total Assets</b>		<b>250,000</b>	<b>16,000</b>	<b>266,000</b>
Accounts payable <= 90 days	<b>4</b>	7,500	5,000	12,500
Unearned revenue - Other	<b>7</b>	-	11,000	11,000
<b>Total Current Liabilities</b>		<b>7,500</b>	<b>16,000</b>	<b>23,500</b>
Net Investment in Capital Assets		8,000	-	8,000
Restricted Net Position (HAP Equity)		200,000	-	200,000
Unrestricted Net Position		34,500	-	34,500
<b>Total Net Position</b>		<b>242,500</b>	<b>-</b>	<b>242,500</b>
<b>Total Liabilities &amp; Net Position</b>		<b>\$ 250,000</b>	<b>\$ 16,000</b>	<b>\$ 266,000</b>

Other Notes

- 14.HCC Current assets should match current liabilities.
- Except for possible timing issues around some capital asset transactions, equity balance should be \$-0-

### Appendix 3: Example FDS Reporting of 14.PHC

#### Example Information

1. HUD obligated \$44,000 in CARES Act supplemental Operating Fund to the PHA (Transaction #1: Obligations are not reported on the FDS).
2. The PHA used \$15,000 of supplemental Operating Fund to purchase a maintenance vehicle for a project (Transaction #2).
3. The PHA used \$10,000 of supplemental Operating Fund to pay for management fees to the COCC which are above the safe-harbor amounts (Transaction #3).
4. The PHA also used \$8,000 of supplemental Operating Fund to pay for COVID-19 related activity (Transaction #4).
5. The PHA used \$4,000 of operating reserves to fund COVID-19 costs (Transaction #5).
6. The PHA has incurred \$6,000 in costs for a maintenance contract. The supplemental Operating Funds will be drawn down from eLOCCS next month (Transaction #6).
7. The PHA has \$5,000 of unobligated CARES Act funds remaining in eLOCCS (Transaction #7; This amount would not be reported on the FDS in any manner).
8. The table below provides a summary of the transaction described above.

<b>CARES Act Supplemental Operating Fund</b>	<b>14.PHC</b>
Total Amount of Funding Made Available	\$ 44,000
Management Fees to COCC	(10,000)
Capital Expenditures	(15,000)
COVID-19 Related Expenses - CARES Act	(8,000)
Maintenance Contract	<u>(6,000)</u>
Total CARES Act Expenses	\$ (39,000)
Unobligated CARES Act Funds in eLOCCS	\$ 5,000
COVID-19 Related Expenses - Other Funds	(4,000)

**INCOME STATEMENT**

	<b>Projects (Entity Wide)</b>	<b>PH CARES Act Funding 14.PHC</b>	<b>Total</b>
Dwelling Rent	\$ 160,000	\$ -	\$ 160,000
HUD Operating Fund	240,000	\$ 39,000	\$ 279,000
<b>Total Income</b>	<b>400,000</b>	<b>39,000</b>	<b>439,000</b>
Admin. Salaries	150,000		150,000
Employee Benefits	45,000		45,000
Management Fees to COCC	3 40,000	10,000	50,000
Tenant Services - Other	4, 5 1,000	12,000	13,000
Maintenance Contract	6 64,000	6,000	70,000
Depreciation Expense	40,000	-	40,000
<b>Total Expense</b>	<b>340,000</b>	<b>28,000</b>	<b>368,000</b>
<b>Net Operating Income</b>	<b>60,000</b>	<b>11,000</b>	<b>71,000</b>
Operating Transfer In (out)	5 (4,000)	4,000	-
Equity Transfer In (out)	2 15,000	(15,000)	-
<b>Net Change to Net Position</b>	<b>\$ 71,000</b>	<b>\$ -</b>	<b>\$ 71,000</b>

**BALANCE SHEET**

	<b>Projects (Entity Wide)</b>	<b>PH CARES Act Funding 14.PHC</b>	<b>Total</b>
Cash - Unrestricted	\$ 200,000	\$ -	\$ 200,000
Cash - Tenant Security Deposit	12,000	-	12,000
Cash - Restricted - Other	-	-	-
Accts Rec. - HUD	6 -	6,000	6,000
Prepaid Insurance	3,000	-	3,000
<b>Total Current Assets</b>	<b>215,000</b>	<b>6,000</b>	<b>221,000</b>
Building and Equipment	2,000,000	-	2,000,000
Accumulated Depreciation	1,825,000	-	1,825,000
<b>Total Noncurrent Assets</b>	<b>175,000</b>	<b>-</b>	<b>175,000</b>
<b>Total Assets</b>	<b>390,000</b>	<b>6,000</b>	<b>396,000</b>
Accounts payable <= 90 days	6 7,500	6,000	13,500
Tenant Security Deposit	12,000	-	12,000
<b>Total Current Liabilities</b>	<b>19,500</b>	<b>6,000</b>	<b>25,500</b>
Net Investment in Capital Assets	175,000	-	175,000
Restricted Net Position (HAP Equity)	-	-	-
Unrestricted Net Position	195,500	-	195,500
<b>Total Net Position</b>	<b>370,500</b>	<b>-</b>	<b>370,500</b>
<b>Total Liabilities &amp; Net Position</b>	<b>\$ 390,000</b>	<b>\$ 6,000</b>	<b>\$ 396,000</b>

Other Notes

- Current assets should match current liabilities.
- Except for possible timing issues for capital asset transactions, equity balance should be \$-0-.