



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

Special Attention of:  
Office Directors of Public Housing,  
Regional Directors, and Public Housing  
Agencies.

**PIH Notice 2022-21**

Issued: August 3, 2022

Expires: This Notice remains in effect until amended, superseded, or rescinded

Cross References: PIH Notice 2020-08, 2020-17, 2020-18, 2020-20, 2020-24.

**SUBJECT: CARES Act Funding Reconciliation and Closeout - Housing Choice Voucher Program, Mainstream Vouchers, and Moderate Rehabilitation Program.**

**1. Purpose**

This Notice describes the closeout procedures per 2 CFR 200.344 (Closeout) for funds awarded to public housing authorities (PHAs) under the Coronavirus Aid, Relief, and Economic Security Act, (CARES Act) (Public Law 116-136) to prevent, prepare for, and respond to the coronavirus. The CARES Act provided supplemental housing assistance payments (HAP) and Administrative Fees to PHAs administering the Housing Choice Voucher (HCV) Program and the Mainstream Vouchers, and supplemental HAP to the Moderate Rehabilitation (MR) Program.

The period of availability (also known as period of performance) for this Notice for the CARES Act supplemental funding ended on December 31, 2021; therefore, the Department of Housing and Urban Development (HUD) is herewith providing instructions PHAs must follow to complete and submit the OMB Form SF-425 Federal Financial Report to HUD. This submission will include all CARES Act financial activity certified by the PHA's Executive Director or designee, stating that the information on the SF-425 is true and accurate.

**2. Background**

On March 27, 2020, over \$2 trillion in emergency assistance and health care was made available for individuals, families, and businesses affected by the COVID-19 pandemic, through emergency appropriations to support Executive Branch agency operations. The Office of Housing Voucher Programs (OHVP) issue notices (see *Cross References* at the top of this page) providing guidance to PHAs on how the supplemental funds were allocated, eligible uses of the supplemental funding, financial management requirements,

and other program requirements necessary for PHAs to administer the funding. The initial Notices also set the original deadline for the expenditure of funds on December 31, 2020.

Additionally, Office of Public and Indian Housing (PIH) issued [Notice 2020-24](#), providing consolidated Reporting Requirements for the CARES Act supplemental Housing Assistance Payment (HAP) funds. This Notice extended the period of availability for the use of CARES Act funds through December 31, 2021. PIH Notice 2020-24 restated that CARES Act unspent funds, at the end of the period of availability, would be returned to HUD. However, and based on 2 C.F.R. 200.344 (b), PHAs had 120 calendar days to liquidate/disburse unliquidated obligations (see [Appendix A](#), 10f for definition), after the end date of the period of availability (period of performance), unless HUD extended it. The 120 calendar days fell on Saturday, **April 30, 2022**. See guidance on section 4 of this Notice for obligations that will liquidate past April 30, 2022.

### 3. Applicability

This Notice applies to PHAs that received CARES Act supplemental funding for the HCV Program, Mainstream Vouchers, and the Moderate Rehabilitation Program, including PHAs participating in the MTW Demonstration.

### 4. Closeout procedures

The Financial Management Center (FMC) will email the Excel fillable form SF-425 to all PHAs on the day the Notice is published or shortly after. Once received, PHAs should follow instructions provided in [Appendix A](#) of this Notice for reporting all CARES Act related financial activity through the end of the period of availability. (HUD will only accept the Excel fillable SF-425 workbook that was emailed to PHAs. PHAs must not submit CARES Act closeout financial information in any other format, or any other fillable form SF-425.)

The SF-425 workbook is due by or before **September 6, 2022 and** must be emailed to our mailbox [HCVCARESActReconciliation@HUD.gov](mailto:HCVCARESActReconciliation@HUD.gov).

- PHAs will use the following subject title for the email:
  - Subject line: ***PHA Code (1) CARES Act Funds Closeout Date***. (The number in parenthesis will control for potential duplicates. Should there be a need to resubmit the form for any specific reason, the PHA will use (2).)
  - Example:  
Initial submission's email subject: *NY005 (1) CARES Act Funds Closeout 6-23-2022*  
Resubmission's email subject: *NY005 (2) CARES Act Funds Closeout 6-30-2022*

- Similarly, the PHAs will use the following naming convention and will ensure the fillable Excel form SF-425 keeps the .xlsx extension, no spaces, and no parenthesis (**VERY IMPORTANT**):
  - Example:  
File name: *NY0051CARESActFundsCloseout6-23-2022.xlsx*.

PHAs **will not** remit amounts owed to HUD automatically with the SF-425 submissions. The Housing Voucher Financial Management Division (FMD) will complete the reconciliation and will provide CARES Act Closeout Statements to PHAs, which will confirm the amounts owed to HUD and guidance on the remittance of funds to HUD.

Should there be unliquidated obligations that were disbursed beyond April 30, 2022 (120 days after the period of performance's end date), PHAs must issue a special request to the FMD at [PIH.Financial.Management.Division@hud.gov](mailto:PIH.Financial.Management.Division@hud.gov), no later than **September 6, 2022**. The extension request will include the following:

- Subject email: PHA Code, Unliquidated Obligation Extension Request.
- Signed letter on PHA's letterhead stating the reason(s) for the extension request, the total unliquidated obligation amount, and estimated time to fully disburse the unliquidated obligation.
- Evidence of unliquidated obligation(s) such as contract, bill or purchase order showing the date the obligation was/were incurred, which must be prior to 12-31-2021. (Obligations incurred post 12-31-2021 will not be accepted and cannot be liquidated with CARES Act funds.)

HUD will review SF-425 submissions for accuracy and completeness. PIH reserves the right to contact PHAs for missing information or clarification.

PHAs may expect CARES Act Closeout Statements, which may indicate the following:

- The program is closed, and no further action is required from the PHA.
- That the PHA owes unobligated balances to HUD, where the closeout statement will serve as the Request for Payment, including remittance guidance and deadline for such payment. The CARES Act Program will be closed upon receipt of the amount owed.
- That the reconciliation found discrepancies and/or items that need further review (the FMD reserves the right to contact the PHA(s) for the additional information), which could also mean the PHAs incurred on higher or lower expenditures. And/or,
- That the FMD acknowledges the unliquidated obligations that will span beyond April 30, 2022, and that an extension request response will be issued from the FMD by **October 6, 2022**. HUD will provide further closeout guidance. The CARES Act Program will close upon liquidation of the obligations.

## 5. Further Information

Please refer to [Appendix A](#) for instructions on step by steps for completing the Excel version of the Form SF-425 and submit it to HUD. All other CARES Act inquiries from PHAs will be referred to your Portfolio Management Specialist at the Field Office.

## 6. Paperwork Reduction Act

The information collection requirements contained in this Notice have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C.3520) and assigned OMB approval numbers 2577-0026, 2577-0029, 2577-0157, and 2577-0246. 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.

## 7. 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.

/s/

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Dominique Blom  
General Deputy Assistant Secretary  
for Public and Indian Housing

## Appendix A

### OMB Form SF-425 Steps and Instructions to Report on CARES Act Supplemental Funding

- HUD will email an electronic Excel version of the OMB Form SF-425-Federal Financial Report to PHAs that received CARES Act funding. PHAs will receive the Excel form from HUD's Financial Management Center mailbox.
- PHAs must first verify that your SF-425 Excel form has three tabs: FFR Tab, FFR Attachment, and Instructions Tab.
- PHAs should start the process of filling out the SF-425 form by filling out the FFR Attachment Tab. Amounts inputted by the PHA on the FFR Attachment tab will automatically flow to the FFR Tab.
- Amounts must be inputted by the PHA on the FFR Attachment Tab first for each program that received CARES Act Funds.

#### Start Here – FFR Attachment Tab Instructions

##### 10a. Cash Receipts

This box will be prepopulated by HUD. If the PHA finds discrepancies between the amount found on field a. Cash Receipts and the amount that the PHA received from HUD for the CARES Act, please explain the discrepancy on the FFR Tab Box 12. Remarks.

##### 10b. Cash Disbursements

Enter the cumulative amount of Federal fund disbursements (such as cash or checks) as of the reporting period end date. Disbursements are the sum of actual cash disbursements for direct charges for goods and services, the amount of indirect expenses charged to the award, and the amount of cash advances and payments made to subrecipients and contractors.

##### 10c. Cash on Hand (Line 10a Minus Line 10b)

This formula is prepopulated by HUD.

##### 10d. Total Federal Funds Authorized

This formula is prepopulated by HUD.

##### 10e. Federal Share of Expenditures

Enter the amount of Federal fund expenditures. For PHA reports prepared on an accrual basis, expenditures are the sum of cash disbursements for direct charges for property and services; the amount of indirect expense incurred; and the net increase or decrease in the amounts owed by the recipient for (1) goods and other property received; (2) services performed by employees, contractors, subrecipients, and other payees; and (3) programs for which no current services or performance are required.

### **10f. Federal Share of Unliquidated Obligations**

Unliquidated obligations on an accrual basis, they are obligations incurred, but for which an expenditure has not yet been recorded. Enter the Federal portion of unliquidated obligations. **Those obligations include direct and indirect expenses incurred but not yet paid or charged to the award, including amounts due to subrecipients and contractors.** On the final report, this line should equal unspent CARES Act funds as of the date of this SF-425 report. Do not include any amount in Line 10f that has been reported in Line 10e. Do not include any amount in Line 10f for a future commitment of funds (such as a long-term contract) for which an obligation or expense has not been recorded. **PHAs reporting unliquidated obligations**, please include description of such in **line 12. Remarks**, and state whether unliquidated obligations will span beyond April 30, 2022, and whether the FMD approved an extension. A request for an extension to liquidate obligations that occurred on or before December 31, 2021, is due to HUD on **Month XX, 2022**. See section 4 of the Notice.

### **10g. Total Federal Share** (Sum of lines 10e and 10f)

This formula is prepopulated by HUD.

### **10h. Unobligated Balance of Federal Funds** (Line 10d Minus Line 10g)

This formula is prepopulated by HUD.

**After filling out lines a through h for all programs that received CARES Act funds, the PHA should move to the FFR Tab of the spreadsheet.**

#### **FFR Tab Instructions:**

- Line a – h, PHAs must complete boxes b, e, and f. Other boxes are prepopulated. See Lines 1 through 10 instructions below.
- The consolidated amounts inputted on the ***FFR Attachment tab*** will automatically flow to the main FFR form. Even if your PHA received CARES Act funds for only one program, your PHA must complete the information on the ***FFR Attachment tab*** of the form. The main form fields will be blocked from data entry.
- PHAs will confirm the consolidated totals transferred properly/accurately to the main FFR form.
- The Executive Director of Authorizing Official will type his/her name and will sign off (electronically or digitally) on lines 13.A and 13.B., respectively.
- The PHA must save this form for its records and when completed, email the SF-425 Excel form to HUD at [HCVCARESActReconciliation@hud.gov](mailto:HCVCARESActReconciliation@hud.gov).

**Main Form Tab Lines 1 through 10 instructions:**

Box 1 - Federal Agency and Organizational Element to Which Report is Submitted  
This field is prepopulated.

Box 2 – Federal Grant or Other Identifying Number Assigned by Federal Agency (For reporting single or multiple grants, use ***FFR Attachment tab***)  
This field is prepopulated.

Box 3 - Recipient Organization  
Example: This field is prepopulated.

Box 4 – DUNS Number  
Enter N/A

Box 5 – EIN  
This field is prepopulated.

Box 6 – Report Type  
This field is prepopulated.

Box 7 – Basis of Accounting  
This field is prepopulated.

Box 8 – Project/Grant Period (Month, Day, Year)  
This field is prepopulated

Box 9 – Report Period Ending  
This field is prepopulated.

Box 10 Transactions  
This field is prepopulated.

Amounts on Lines 10 a. through 10 h. will be automatically populated from data reported on the ***FFR Attachment tab***. **Please ONLY report on the *FFR Attachment tab***.

Lines 10i through 11 are not applicable for CARES Act Close-out Reconciliation reporting.

Box 12 - Remarks  
Describe unliquidated obligations here. If liquidations will span beyond April 30, 2022, report when the FMD approved such extension. A request to HUD asking for an extension to spend obligations that occurred on or before December 31, 2021, is due **Month XX, 2022**. See section 4 of the Notice.

Box 13 - Typed or Printed name of Authorized Certifying Official

- a. Type name of Authorizing Official and name of official that completed the form
  1. Provide phone number of official that completed the form
  2. Provide email address of official that completed the form
  
- b. Signature of Authorized Certifying Official  
Type the Authorized Certifying Official name, and state on the body of the email that the attached SF-425 represents the financial position of the PHA as of December 31, 2021. Form will be rejected by system if electric signature is applied.