

Office of Public and Indian Housing

**For Public Housing Operating Fund
Explanation of Calendar Year (CY) 2020 Obligations for CARES Act
Supplemental Operating Funds****Operating Fund CARE Act Obligations and COVID 19 Needs**

This obligation allocates \$685 million in Supplemental Public Housing Operating funding provided pursuant to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (Public Law 116-136). Please refer to PIH Notice 2020-07 for guidance on eligible activities, reporting requirements, and other relevant information regarding CARES Act obligations. The notice can be found on HUDCLIPS at:

<https://www.hud.gov/sites/dfiles/OCHCO/documents/2020-07pihn.pdf>

Project Eligibility Levels and Obligations for CARE Act CY 2020

The entire \$685 million (less a de minimus amount due to rounding) is being obligated herewith, at a project level pursuant to the Operating Fund Formula found at 24 CFR Part 990. Obligations of CARES Act Supplemental Operating Fund grant amounts have been calculated based on each project's pro rata Calendar Year (CY) 2020 Operating Fund eligibility. True ups and changes in project eligibility will be captured as part of the normal Operating Fund process through subsequent obligations from the CY 2020 Operating Fund grants.

In eLOCCS, the CARES Act grant numbers/project numbers will differ slightly from regular Operating Fund obligations. Similar to CY 2020 Operating Fund grants, they begin with the PIC project number, then the fiscal year followed by the letter "D." However, for CARES Act funds, the letter "C" is appended to the end of the grant number (for example, VV00100000120DC).

Unlike regular Operating Funds, which are made accessible to PHAs in 1/12th increments, the entire amount of the CARES Act funding is being obligated at once. Also dissimilar to regular Operating Funds, Supplemental CARES Act funds may not roll into a PHA's reserves. PHAs may only draw down the Supplemental Operating Funds to fund eligible immediate needs, and must be tracked and accounted for separately. Obligation Letters will be available on the FMD website for 2020:

https://www.hud.gov/program_offices/public_indian_housing/programs/ph/am/of/opfnd2020

The Department has already obligated May and June regular Operating Funds amounts. The next Operating Fund obligation of funding for July is expected to be made available in eLOCCS no later than July 1, 2020.